

# UNITED STATES STATUTES AT LARGE

CONTAINING THE

LAWS AND CONCURRENT RESOLUTIONS  
ENACTED DURING THE THIRD SESSION OF THE  
SEVENTY-FIFTH CONGRESS  
OF THE UNITED STATES OF AMERICA

1938

AND

TREATIES, INTERNATIONAL AGREEMENTS OTHER  
THAN TREATIES, AND PROCLAMATIONS

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## NOTICE

The original of every act and joint resolution printed in this volume has the following heading:

SEVENTY-FIFTH CONGRESS OF THE UNITED STATES OF AMERICA;

AT THE THIRD SESSION,

Begun and held at the City of Washington on Monday, the third  
day of January, one thousand nine hundred and thirty-eight.

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All bills and joint resolutions presented to the President of the United States bear the signatures of the Speaker (or of the Speaker *pro tempore*) of the House of Representatives and of the Vice President of the United States and President of the Senate (or of the President of the Senate *pro tempore*); those signatures accordingly appear on the originals of all acts and joint resolutions.

The signature of the President of the United States appears on the originals of all approved acts and joint resolutions.

The original of every act and joint resolution has endorsed thereon a certificate of origin, signed, as the case may be, by the Clerk of the House of Representatives or by the Secretary of the Senate and reading "I certify that this Act (or Joint Resolution) originated in the House of Representatives (or Senate)." The origin of each act and resolution contained in this volume is indicated in the margin at the beginning of each enactment; thus, for example, H. R. 6628 or H. J. Res. 571 indicates origin in the House of Representatives, and S. 1485 or S. J. Res. 191 indicates origin in the Senate.

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# PUBLIC LAWS

# PUBLIC LAWS

ENACTED DURING THE

THIRD SESSION OF THE SEVENTY-FIFTH CONGRESS

OF THE

UNITED STATES OF AMERICA

*Begun and held at the City of Washington on Monday, January 3, 1938, and adjourned  
without day on Thursday, June 16, 1938*

FRANKLIN D. ROOSEVELT, President; JOHN N. GARNER, Vice President; KEY PITTMAN,  
President of the Senate *pro tempore*; WILLIAM B. BANKHEAD, Speaker of the  
House of Representatives.

## [CHAPTER 2]

### AN ACT

To prohibit the making of photographs, sketches, or maps of vital military and  
naval defensive installations and equipment, and for other purposes.

January 12, 1938  
[S. 1485]

[Public, No. 418]

*Be it enacted by the Senate and House of Representatives of the  
United States of America in Congress assembled,* That, whenever, in  
the interests of national defense, the President shall define certain  
vital military and naval installations or equipment as requiring  
protection against the general dissemination of information relative  
thereto, it shall be unlawful to make any photograph, sketch, picture,  
drawing, map, or graphical representation of such vital military and  
naval installations or equipment without first obtaining permission  
of the commanding officer of the military or naval post, camp, or  
station concerned, or higher authority, and promptly submitting the  
product obtained to such commanding officer or higher authority for  
censorship or such other action as he may deem necessary. Any  
person found guilty of a violation of this section shall upon conviction  
be punished by a fine of not more than \$1,000 or by imprisonment  
for not more than one year, or by both such fine and imprisonment.

Sec. 2. Any person who uses or permits or procures the use of  
an aircraft for the purpose of making a photograph, sketch, picture,  
drawing, map, or graphical representation of vital military or naval  
installations or equipment, in violation of the preceding section, shall  
be liable to the penalty therein provided.

Sec. 3. On and after thirty days from the date upon which the  
President defines any vital military or naval installation or equip-  
ment as being within the category contemplated under the first sec-  
tion of this Act, it shall be unlawful for any person to reproduce,  
publish, sell, or give away any photograph, sketch, picture, drawing,  
map, or graphical representation of the vital military or naval  
installations or equipment so defined, without first obtaining permis-  
sion of the commanding officer of the military or naval post, camp,  
or station concerned, or higher authority, unless such photograph,  
sketch, picture, drawing, map, or graphical representation has clearly  
indicated thereon that it has been censored by the proper military

Military and naval  
defenses.  
Definition of vital  
installations, etc.,  
requiring protection.

Unauthorized pho-  
tographs, etc., de-  
clared unlawful.

Censorship.

Penalty for viola-  
tion.

Use of aircraft.

Unauthorized repro-  
duction of plans, etc.,  
declared unlawful.

Censorship.

Penalty for violation.

or naval authority. Any person found guilty of a violation of this section shall upon conviction be punished as provided in the first section of this Act.

Terms defined.

SEC. 4. The term "aircraft" as used in this Act means any contrivance known or hereafter invented, used, or designed for navigation or flight in the air. The expression "post, camp, or station" as used in this Act shall be interpreted to include naval vessels, military and naval aircraft, and any separate military or naval command.

Scope of Act.

SEC. 5. The provisions of this Act shall extend to all Territories, possessions, and places subject to the jurisdiction of the United States, whether contiguous thereto, or not and offenses under this Act when committed upon or over the high seas or elsewhere within the admiralty and maritime jurisdiction of the United States and outside the territorial limits thereof shall be punishable hereunder.

Approved, January 12, 1938.

#### [CHAPTER 3]

#### AN ACT

To increase the efficiency of the Coast Guard.

January 12, 1938  
[S. 2575]

[Public, No. 419]

Coast Guard.  
Commissioned officers placed out of line of promotion.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That any commissioned officer of the Coast Guard, who, in accordance with regulations prescribed by the Secretary of the Treasury, heretofore has been or hereafter may be placed out of the line of promotion, may, at his own request (a) if his commissioned service is ten years or more, be placed upon the retired list with retired pay as prescribed by section 3 hereof, or (b) if his commissioned service is less than ten years, resign from the Coast Guard with one year's pay computed at the rate of pay he was receiving on the date of his resignation.

Retirement, if commissioned service 10 years or more.  
Resignation, with one year's pay, if less.

Personnel Board, annual meeting.

SEC. 2. The Secretary of the Treasury, at the direction of the President, shall assemble annually a Coast Guard Personnel Board, to be composed of not less than three commissioned officers on the active list of the Coast Guard, to select the officers, if any, whom the Board determines should be retired or placed out of the line of promotion, and to make recommendations with respect thereto. The proceedings and decisions of the Personnel Board shall be transmitted to the Commandant of the Coast Guard for review. If the Commandant shall approve the recommendation of the Personnel Board, the officer concerned shall be notified in writing of the action taken in his case, and he shall be entitled to have his case reconsidered by such Board, if, within thirty days after he receives notice as aforesaid, he files with the Commandant a written protest of the action taken, or appears, either in person or by counsel, before the Personnel Board: *Provided*, That no case shall be twice reconsidered by the Personnel Board. If the Commandant shall disapprove the recommendation of the Personnel Board, he shall transmit the same with his recommendation to the Secretary of the Treasury for final action. If the Secretary of the Treasury shall concur in the decision of the Commandant, the case shall be terminated, and the officer concerned shall retain his status in the Coast Guard to the same extent as if his case had not been considered. If the Secretary of the Treasury shall disapprove the recommendation of the Commandant and approve that of the Board, the officer concerned shall be notified as aforesaid, and shall be entitled to have his case reconsidered by the Personnel Board, subject to the same conditions as hereinbefore provided. At the expiration of thirty days after receipt of any officer

Composition, functions.

Review of Board's proceedings and decisions.  
Reconsideration of case.

*Proviso.*  
Limitation on reconsideration.

Decisions of Commandant and Secretary of the Treasury; effect of.

Reconsideration in case of disapproval by Secretary.

concerned of notice of the action taken in his case, in the event no protest is filed or appearance made as provided in this section, the recommendation of the Personnel Board, as approved by the Commandant or by the Secretary of the Treasury, as the case may be, shall be laid before the President by the latter with his recommendation. In the event of the reconsideration of the case of any officer, the Personnel Board shall, after carefully considering additional evidence, if any, submit its supplemental report and final recommendation in the case to the Commandant, who shall transmit the same with his recommendations to the Secretary of the Treasury. The Secretary of the Treasury shall lay the same before the President accompanied by his recommendation in the case. When considering the record of any officer of the Coast Guard, the Personnel Board shall give major importance to reports upon the officer made, in accordance with regulations prescribed by the Secretary of the Treasury, by his seniors. The President may, in any calendar year, pursuant to any recommendation so laid before him:

(a) Place out of the line of promotion such number of lieutenant commanders on the active lists as will not exceed the whole number nearest to 2 per centum of the officers in that grade as of January 1 of such year; except that such limitation shall not be construed to limit the number of lieutenant commanders who may be placed out of the line of promotion, in accordance with regulations prescribed by the Secretary of the Treasury, for failing to establish their mental, moral, and professional fitness for promotion, as required by existing law.

(b) Place upon the retired list such number of commissioned officers who have had thirty or more years of service as will not exceed the whole number nearest to 5 per centum of the number of officers falling within that classification on January 1 of such year.

(c) Place upon the retired list any officer who has been placed out of the line of promotion and who has had ten years or more of commissioned service.

SEC. 3. The annual pay of any officer who is retired under the provisions of this Act shall be  $2\frac{1}{2}$  per centum of his active-duty pay at the time of his retirement, multiplied by the number of years of his service: *Provided*, That the retired pay of any officer retired pursuant to this Act shall not exceed 75 per centum of his active-duty pay at the time of his retirement. Years of service, for the purpose of computing retirement pay under the provisions of this Act, shall be computed in the same manner as is now or may hereafter be provided by law for the computation of years of service for voluntary retirement.

SEC. 4. The total number of officers retired involuntarily in any one calendar year pursuant to this Act shall not exceed the whole number nearest to 1 per centum of the total number of commissioned officers. The total number of officers who are permitted to resign from the Coast Guard with one year's pay or retire voluntarily pursuant to this Act shall not exceed in any one calendar year the whole number nearest to 2 per centum of the total number of commissioned officers.

SEC. 5. The provisions of this Act shall be supplementary to, but shall not be construed to limit or supersede, existing laws relating to retirement, examination for promotion, and promotion of Coast Guard officers.

SEC. 6. The provisions of this Act shall not apply to chief warrant officers.

Approved, January 12, 1938.

Recommendation to be laid before the President.

Supplemental report, etc., in event of reconsideration.

Powers of President.

Lieutenant commanders, placement of restricted number out of line of promotion.

Commissioned officers with 30 years' service or more, retirement of restricted number.

Officers out of line of promotion with 10 years or more commissioned service, retirement.

Pay of officers so retired.

*Proviso.*  
Maximum.

Computation of service.

Limitation on number of officers retired involuntarily in any year.

Number of officers permitted to resign, etc.

Provisions deemed supplementary to existing laws.

Not applicable to chief warrant officers.

## [CHAPTER 9]

## AN ACT

To permit the further extension of the Air Mail Service.

January 14, 1938  
[H. R. 8628]  
[Public, No. 420]

Air Mail Act of 1934,  
amendment.  
49 Stat. 615.  
39 U. S. C., Supp.  
III, § 469a (f).  
Post, pp. 219, 1029.

Mileage limitation,  
etc.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the first sentence of subsection (f) of section 3 of the Act entitled "An Act to revise air-mail laws, and to establish a commission to make a report to the Congress recommending an aviation policy", approved June 12, 1934, as amended (U. S. C., 1934 edition, Supp. II, title 39, sec. 469a (f)), is amended to read as follows:

"(f) The Postmaster General shall not award contracts for air-mail routes or extend such routes in excess of an aggregate of thirty-five thousand miles, and shall not pay for air-mail transportation on such routes and extensions in excess of an annual aggregate of fifty-two million airplane-miles."

Approved, January 14, 1938.

## [CHAPTER 10]

## AN ACT

To permit the printing of black-and-white illustrations of United States and foreign postage stamps for philatelic purposes.

January 27, 1938  
[S. 2550]  
[Public, No. 421]

Postage stamps.  
Printing of black  
and white illustrations  
of U. S. and foreign,  
permitted.  
Printing and sale as  
a public document.

Provisos.  
Stereotype, etc.,  
plates to remain prop-  
erty of U. S.  
28 Stat. 608.  
44 U. S. C. § 58.

Copyright.  
35 Stat. 1077.  
17 U. S. C. § 7.

Designated acts  
not deemed vio-  
lations of Criminal  
Code, etc.  
42 Stat. 1437.  
18 U. S. C. § 350.

Printing, etc., of for-  
eign revenue stamps  
from defaced plates.

Foreign postage  
stamps.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Postmaster General shall prepare, in such form and at such times as he shall deem advisable, and, upon his request, the Public Printer shall print as a public document to be sold by the Superintendent of Documents, illustrations in black and white of postage stamps of the United States, together with such descriptive, historical, and philatelic information with regard to such stamps as the Postmaster General may deem suitable: *Provided*, That notwithstanding the provisions of section 52 of the Act of January 12, 1895 (U. S. C., 1934 edition, title 44, sec. 58), stereotype or electrotpe plates, or duplicates thereof, used in the publications authorized to be printed by this section shall not be sold or otherwise disposed of but shall remain the property of the United States: *And provided further*, That notwithstanding the provisions of section 7 of the Copyright Act of March 4, 1909 (U. S. C., 1934 edition, title 17, sec. 7), or any other provision of law, copyright may be secured by the Postmaster General on behalf of the United States in the whole or any part of the publication authorized by this section.

SEC. 2. The Act of March 3, 1923 (U. S. C., 1934 edition, title 18, sec. 350), is amended to read as follows: "That (a) nothing in sections 161, 172, and 220 of the Criminal Code, as amended, or in any other provision of law, shall be construed to forbid or prevent the printing, publishing, or importation, or the making or importation of the necessary plates for such printing or publishing, for philatelic purposes in articles, books, journals, newspapers, or albums (including the circulars or advertising literature of legitimate dealers in stamps or publishers of or dealers in philatelic or historical articles, books, journals, or albums), of black and white illustrations of—

"(1) foreign revenue stamps if from plates so defaced as to indicate that the illustrations are not adapted or intended for use as stamps;

"(2) foreign postage stamps; or

"(3) such portion of the border of a stamp of the United States as may be necessary to show minor distinctive features of the stamp so illustrated, but all such illustrations shall be at least four times as large as the portion of the original United States stamp so illustrated.

"(b) Notwithstanding any other provision of law, the Secretary of the Treasury, subject to the approval of the President, may, upon finding that no hindrance to the suppression of counterfeiting and no tendency to bring into disrepute any obligation or other security of the United States will result, by regulations, permit, to the extent and under such conditions as he may deem appropriate, the printing, publishing or importation or the making or importation of the necessary plates for such printing or publishing, for philatelic purposes in articles, books, journals, newspapers, or albums (including the circulars or advertising literature of legitimate dealers in stamps or publishers of or dealers in philatelic or historical articles, books, journals, or albums), of black and white illustrations of canceled or uncanceled United States postage stamps. The Secretary, subject to the approval of the President, may amend or repeal such regulations at any time. Such regulations, and any amendment or repeal thereof, shall become effective upon publication thereof in the Federal Register or upon such date as may be specified therein if later than the date of publication. All findings of fact made hereunder shall be final and conclusive and shall not be subject to review."

SEC. 3. Section 147 of the Criminal Code is hereby amended by striking out the period at the end thereof and adding a comma and the following: "and canceled United States stamps."

SEC. 4. Section 172 of the Criminal Code is hereby amended by the addition of the following new paragraph at the end thereof:

"Except as to counterfeits, material, and apparatus referred to in the preceding paragraph, all articles and devices and any other thing whatsoever made, possessed, or in any manner used in violation of any of the provisions of chapter 7 or sections 205, 218, 219, or 220 of chapter 8 of the Criminal Code, or the Act of August 26, 1935 (U. S. C., 1934 edition, title 18, ch. 7, and secs. 328, 347, 348, 349, and 349a, ch. 8), as amended, or in respect to which a violation of any such provision has occurred, and all material or apparatus fitted or intended to be used, or that shall have been used, in the making of such articles, devices, or other things, that shall be found in the possession of any person without authority from the Secretary of the Treasury or other proper officer to have the same, shall be taken possession of by any authorized agent of the Treasury Department and forfeited to the United States and disposed of in any manner the Secretary of the Treasury may direct. Whoever having the custody or control of any such articles, devices, or other things, material, or apparatus shall fail or refuse to surrender possession thereof upon request by any such authorized agent of the Treasury Department shall be fined not more than \$100 or imprisoned not more than one year, or both. Whenever any person interested in any article, device, or other thing, or material or apparatus seized under this paragraph files with the Secretary of the Treasury, before the disposition thereof, a petition for the remission or mitigation of such forfeiture, the Secretary of the Treasury, if he finds that such forfeiture was incurred without willful negligence or without any intention on the part of the petitioner to violate the law, or finds the existence of such mitigating circumstances as to justify the remission or the mitigation of such forfeiture, may remit or mitigate the same upon such terms and conditions as he deems reasonable and just."

Approved, January 27, 1938.

Border of U. S. stamps for illustrations.

Increased size.

Permission, under regulations, to print, etc., illustrations of U. S. postage stamps.

Amendment or repeal; publication in Federal Register.

Findings not subject to review.

Criminal Code amendments.

U. S. obligations; canceled U. S. stamps included.

35 Stat. 1115.  
18 U. S. C. § 261.  
Forfeiture of articles, etc., in respect to which violation hereunder has occurred.

35 Stat. 1121.  
18 U. S. C. § 286.  
35 Stat. 1127, 1131, 1132; 49 Stat. 866.  
18 U. S. C. §§ 261-293, 328, 347-349; Supp. III, § 349a.

Penalty provisions.

Remission or mitigation of forfeiture.

## [CHAPTER 11]

## AN ACT

January 27, 1938  
[S. 2940]  
[Public, No. 422]

To make confidential certain information furnished to the Bureau of Foreign and Domestic Commerce, and for other purposes.

Bureau of Foreign and Domestic Commerce.  
Statistical information furnished to, in confidence; use restricted.  
Examination by Bureau personnel only.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That any statistical information furnished in confidence to the Bureau of Foreign and Domestic Commerce by individuals, corporations, and firms shall be held to be confidential, and shall be used only for the statistical purposes for which it is supplied. The Director of the Bureau of Foreign and Domestic Commerce shall not permit anyone other than the sworn employees of the Bureau to examine such individual reports, nor shall he permit any statistics of domestic commerce to be published in such manner as to reveal the identity of the individual, corporation, or firm furnishing such data.

Penalty provision.

SEC. 2. Any employee of the Bureau of Foreign and Domestic Commerce violating any of the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000 or imprisoned not exceeding one year, or both.

Approved, January 27, 1938.

## [CHAPTER 12]

## AN ACT

January 29, 1938  
[S. 2463]  
[Public, No. 423]

To authorize an additional number of medical and dental officers for the Army.

Army.  
Medical and dental officers, additional number.  
39 Stat. 171.  
10 U. S. C. § 91.  
*Post*, p. 217.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 10 of the Act entitled "An Act for making further and more effectual provisions for the national defense, and for other purposes", approved June 3, 1916, be amended by providing that on and after July 1, 1937, there shall be officers as now authorized by law, except that there shall be four assistants to the Surgeon General with the rank of brigadier general, one of whom shall be an officer in the Dental Corps, and one thousand one hundred and eighty-three officers of the Medical Corps and two hundred and fifty-eight officers of the Dental Corps, and the authorized commissioned strength of the Army is hereby increased by one hundred and fifty in order to provide for the increases herein authorized in the Medical and Dental Corps.

Increase in authorized Army commissioned strength.

Retirement, credits for service as contract dental surgeons, etc.  
45 Stat. 996.  
10 U. S. C. § 953a.

SEC. 2. That the Act entitled "An Act to authorize officers of the Medical Corps to count certain service in computing their rights in retirement, and for other purposes", approved May 29, 1928, be amended by adding at the end thereof "service as Contract Dental Surgeons and Acting Dental Surgeons shall be credited to the officers of the Dental Corps for the purpose of retirement."

Approved, January 29, 1938.

## [CHAPTER 13]

## AN ACT

February 3, 1938  
[H. R. 8730]  
[Public, No. 424]

To amend the National Housing Act, and for other purposes.

National Housing Act Amendments of 1938.  
48 Stat. 1246.  
12 U. S. C., Supp. III, § 1703.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "National Housing Act Amendments of 1938".

SEC. 2. Subsections (a) and (b) of section 2 of the National Housing Act, as amended, are amended to read as follows:

"SEC. 2. (a) The Administrator is authorized and empowered, upon such terms and conditions as he may prescribe, to insure banks, trust companies, personal finance companies, mortgage companies, building and loan associations, installment lending companies, and other such financial institutions, which the Administrator finds to be qualified by experience or facilities and approves as eligible for credit insurance, against losses which they may sustain as a result of loans and advances of credit, and purchases of obligations representing loans and advances of credit, made by them on and after the date of the enactment of the National Housing Act Amendments of 1938 and prior to July 1, 1939, or such earlier date as the President may fix by proclamation upon his determination that there no longer exists any necessity for such insurance in order to make ample credit available, for the purpose of financing alterations, repairs, and improvements upon urban, suburban, or rural real property, by the owners thereof or by lessees of such real property under a lease expiring not less than six months after the maturity of the loan or advance of credit. In no case shall the insurance granted by the Administrator under this section to any such financial institution on loans, advances of credit, and purchases made by such financial institution for such purposes on and after the date of the enactment of the National Housing Act Amendments of 1938 exceed 10 per centum of the total amount of such loans, advances of credit, and purchases. The total liability which may be outstanding at any time plus the amount of claims paid in respect of all insurance heretofore and hereafter granted under this section and section 6, as amended, shall not exceed in the aggregate \$100,000,000.

"(b) No insurance shall be granted under this section to any such financial institution with respect to any obligation representing any such loan, advance of credit, or purchase by it, if the amount of such loan, advance of credit, or purchase exceeds \$10,000 with respect to loans, advances, or purchases for financing repairs, alterations, or improvements upon or in connection with existing structures, or exceeds \$2,500 with respect to loans, advances, or purchases for financing the building of new structures, nor unless the obligation bears such interest, has such maturity, and contains such other terms, conditions, and restrictions as the Administrator shall prescribe in order to make credit available for the purposes of this title."

SEC. 3. Title II of the National Housing Act, as amended, is amended to read as follows:

## "TITLE II—MORTGAGE INSURANCE

### "DEFINITIONS

"SECTION 201. As used in section 203 of this title—

"(a) The term 'mortgage' means a first mortgage on real estate, in fee simple, or on a leasehold (1) under a lease for not less than ninety-nine years which is renewable or (2) under a lease having a period of not less than fifty years to run from the date the mortgage was executed; and the term 'first mortgage' means such classes of first liens as are commonly given to secure advances on, or the unpaid purchase price of, real estate, under the laws of the State, district, or Territory in which the real estate is located, together with the credit instruments, if any, secured thereby.

"(b) The term 'mortgagee' includes the original lender under a mortgage, and his successors and assigns approved by the Administrator; and the term 'mortgagor' includes the original borrower under a mortgage and his successors and assigns.

Insurance of financial institutions against losses from loans, etc.

Time limitation.

Financing of repairs, etc., upon real property.

Limitation on amount of insurance.

Total liability.  
49 Stat. 1233.  
12 U. S. C., Supp.  
III, § 1706a.

Existing structures, limitation.

New structures.  
Interest, maturity, etc.

48 Stat. 1247.  
12 U. S. C. § 1707;  
Supp. III, § 1709.

Title II—Mortgage Insurance.

Definitions.

"Mortgage."

"First mortgage."

"Mortgagee."

"Mortgagor."



"Maturity date."

"(c) The term 'maturity date' means the date on which the mortgage indebtedness would be extinguished if paid in accordance with periodic payments provided for in the mortgage.

Mutual Mortgage Insurance Fund.

Creation, use, etc.

#### "MUTUAL MORTGAGE INSURANCE FUND

"SEC. 202. There is hereby create<sup>1</sup> a Mutual Mortgage Insurance Fund (hereinafter referred to as the 'Fund'), which shall be used by the Administrator as a revolving fund for carrying out the provisions of this title with respect to mortgages insured under section 203 as hereinafter provided, and there shall be allocated immediately to such Fund the sum of \$10,000,000 out of funds made available to the Administrator for the purposes of this title.

Insurance of mortgages.

Authority to insure mortgage on application of mortgagee.

Provisos.  
Aggregate amount of principal obligations, limitation.

Restriction on insurance of mortgages after July 1, 1939.

Eligibility requirements.

Approval by Administrator.

Amount of principal obligation involved.

Not over \$16,000 or 80 per centum of appraised value; four-family, etc., dwellings.

Not over \$5,400 or 90 per centum of appraised value; single-family dwelling.

Provisions governing loan.

#### "INSURANCE OF MORTGAGES

"SEC. 203. (a) The Administrator is authorized, upon application by the mortgagee, to insure as hereinafter provided any mortgage offered to him which is eligible for insurance as hereinafter provided, and, upon such terms as the Administrator may prescribe, to make commitments for the insuring of such mortgages prior to the date of their execution or disbursement thereon: *Provided*, That the aggregate amount of principal obligations of all mortgages insured under this title and outstanding at any one time shall not exceed \$2,000,000,000, except that with the approval of the President such aggregate amount may be increased to not to exceed \$3,000,000,000: *Provided further*, That on and after July 1, 1939, no mortgages shall be insured under this title except mortgages (1) that cover property which is approved for mortgage insurance prior to the completion of the construction of such property, or (2) that cover property the construction of which was commenced after January 1, 1937, and was completed prior to July 1, 1939, or (3) that cover property which has been previously covered by a mortgage insured by the Administrator.

"(b) To be eligible for insurance under this section a mortgage shall—

"(1) Have been made to, and be held by, a mortgagee approved by the Administrator as responsible and able to service the mortgage properly.

"(2) Involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Administrator shall approve) in an amount—

"(A) not to exceed \$16,000 and not to exceed 80 per centum of the appraised value (as of the date the mortgage is accepted for insurance) of a property upon which there is located a dwelling or dwellings designed principally for residential use for not more than four families in the aggregate, irrespective of whether such dwelling or dwellings have a party wall or are otherwise physically connected with another dwelling or dwellings, or

"(B) not to exceed \$5,400 and not to exceed 90 per centum of the appraised value (as of the date the mortgage is accepted for insurance) of a property, urban, suburban, or rural, upon which there is located a dwelling designed principally for a single-family residence (i) the construction of which is begun after the date of enactment of the National Housing Act Amendments of 1938 and which is approved for mortgage insurance prior to the beginning of construction, or (ii) the construction of which was begun

<sup>1</sup> So in original.

after January 1, 1937, and prior to the date of enactment of the National Housing Act Amendments of 1938, and which has not been sold or occupied since completion: *Provided*, That with respect to mortgages insured under this paragraph the mortgagor shall be the owner and occupant of the property at the time of the insurance and shall have paid on account of the property at least 10 per centum of the appraised value in cash or its equivalent, or

*Proviso.*  
Mortgagor to be owner and occupant; amount of payment required.

“(C) not to exceed \$8,600, and not to exceed the sum of (i) 90 per centum of \$6,000 of the appraised value (as of the date the mortgage is accepted for insurance) and (ii) 80 per centum of such value in excess of \$6,000 and not in excess of \$10,000, of a property of the character described in paragraph (2) (B) of this subsection and subject to the same limitations and conditions which apply to such property.

Mortgages within designated brackets.

“(3) Have a maturity satisfactory to the Administrator, but not to exceed twenty years from the date of the insurance of the mortgage: *Provided*, That until July 1, 1939, a mortgage of the character described in paragraph (2) (B) of this subsection shall be eligible for insurance under this section if it has a maturity satisfactory to the Administrator, but not to exceed twenty-five years from the date of the insurance of the mortgage.

Maturity; limitation.

*Proviso.*  
Single-family residences.

“(4) Contain complete amortization provisions satisfactory to the Administrator requiring periodic payments by the mortgagor not in excess of his reasonable ability to pay as determined by the Administrator.

Amortization provisions.

“(5) Bear interest (exclusive of premium charges for insurance) at not to exceed 5 per centum per annum on the amount of the principal obligation outstanding at any time, or not to exceed 6 per centum per annum if the Administrator finds that in certain areas or under special circumstances the mortgage market demands it.

Interest.

“(6) Provide, in a manner satisfactory to the Administrator, for the application of the mortgagor's periodic payments (exclusive of the amount allocated to interest and to the premium charge which is required for mortgage insurance as hereinafter provided) to amortization of the principal of the mortgage.

Provisions for application of periodic payments to amortization of principal.

“(7) Contain such terms and provisions with respect to insurance, repairs, alterations, payment of taxes, default reserves, delinquency charges, foreclosure proceedings, anticipation of maturity, additional and secondary liens, and other matters as the Administrator may in his discretion prescribe.

Terms and provisions with respect to insurance, repairs, etc.

“(c) The Administrator is authorized to fix a premium charge for the insurance of mortgages under this title but in the case of any mortgage such charge shall not be less than an amount equivalent to one-half of 1 per centum per annum nor more than an amount equivalent to 1 per centum per annum of the amount of the principal obligation of the mortgage outstanding at any time, without taking into account delinquent payments or prepayments: *Provided*, That a premium charge so fixed and computed shall also be applicable to each mortgage insured prior to the date of enactment of the National Housing Act Amendments of 1938 in lieu of any premium charge which would otherwise become due after such date with respect to such mortgage: *Provided further*, That in the case of any mortgage described in section 203 (b) (2) (B) and accepted for insurance after such date and prior to July 1, 1939, the premium charge shall be one-fourth of 1 per centum per annum on such outstanding principal

Premium charge for insurance of mortgages.

*Provisos.*  
Charge applicable to prior mortgages.

Single-family dwellings; charge.  
*Ante*, p. 10.

Payable by mortgagee.

*Proviso.*  
Payment of one or more premiums when insured.

Acceptance for insurance; prohibition unless economically sound.

Adjusted premium charge if obligation paid prior to maturity.

Refund of current unearned premium charges paid.

Farms and farm buildings.

*Proviso.*  
Expenditure for materials and labor.

Payment of insurance.

To mortgagee, upon foreclosure, etc.

*Conditions.*  
Conveyance of title to Administrator.

Assignment of claims of mortgagee against mortgagor.

Termination of obligation of mortgagee to pay premium charges.

obligation. Such premium charges shall be payable by the mortgagee, either in cash, or in debentures issued by the Administrator under this title at par plus accrued interest, in such manner as may be prescribed by the Administrator: *Provided*, That the Administrator may require the payment of one or more such premium charges at the time the mortgage is insured, at such discount rate as he may prescribe not in excess of the interest rate specified in the mortgage. If the Administrator finds upon the presentation of a mortgage for insurance and the tender of the initial premium charge or charges so required that the mortgage complies with the provisions of this section, such mortgage may be accepted for insurance by endorsement or otherwise as the Administrator may prescribe; but no mortgage shall be accepted for insurance under this section unless the Administrator finds that the project with respect to which the mortgage is executed is economically sound. In the event that the principal obligation of any mortgage accepted for insurance under this section or section 210 is paid in full prior to the maturity date, the Administrator is further authorized in his discretion to require the payment by the mortgagee of an adjusted premium charge in such amount as the Administrator determines to be equitable, but not in excess of the aggregate amount of the premium charges that the mortgagee would otherwise have been required to pay if the mortgage had continued to be insured under this section until such maturity date; and in the event that the principal obligation is paid in full as herein set forth and a mortgage on the same property is accepted for insurance at the time of such payment, the Administrator is authorized to refund to the mortgagee for the account of the mortgagor all, or such portion as he shall determine to be equitable, of the current unearned premium charges theretofore paid.

“(d) The Administrator is authorized to insure, pursuant to the provisions of this section, any mortgage which (A) covers a farm upon which a farm house or other farm buildings are to be constructed or repaired, and (B) otherwise would be eligible for insurance under the provisions of paragraph (b) of this section: *Provided*, That the construction and repairs to be undertaken on such farm shall involve the expenditure for materials and labor of an amount not less than 15 per centum of the total principal obligation of said mortgage.

#### “PAYMENT OF INSURANCE

“SEC. 204. (a) In any case in which the mortgagee under a mortgage insured under section 203 or section 210 shall have foreclosed and taken possession of the mortgaged property in accordance with regulations of, and within a period to be determined by, the Administrator, or shall, with the consent of the Administrator, have otherwise acquired such property from the mortgagor after default, the mortgagee shall be entitled to receive the benefit of the insurance as hereinafter provided, upon (1) the prompt conveyance to the Administrator of title to the property which meets the requirements of rules and regulations of the Administrator in force at the time the mortgage was insured, and which is evidenced in the manner prescribed by such rules and regulations, and (2) the assignment to him of all claims of the mortgagee against the mortgagor or others, arising out of the mortgage transaction or foreclosure proceedings, except such claims as may have been released with the consent of the Administrator. Upon such conveyance and assignment the obligation of the mortgagee to pay the premium charges for insurance shall cease and the Administrator shall, subject to

the cash adjustment hereinafter provided, issue to the mortgagee debentures having a total face value equal to the value of the mortgage and a certificate of claim, as hereinafter provided. For the purposes of this subsection, the value of the mortgage shall be determined, in accordance with rules and regulations prescribed by the Administrator, by adding to the amount of the original principal obligation of the mortgage which was unpaid on the date of the institution of foreclosure proceedings, or on the date of the acquisition of the property after default other than by foreclosure, the amount of all payments which have been made by the mortgagee for taxes, special assessments, water rates, which are liens prior to the mortgage, insurance on the property mortgaged, and any mortgage insurance premiums paid after either of such dates, and by deducting from such total amount any amount received on account of the mortgage after either of such dates, and any amount received as rent or other income from the property, less reasonable expenses incurred in handling the property, after either of such dates: *Provided*, That with respect to mortgages which are accepted for insurance prior to July 1, 1939, under section 203 (b) (2) (B) of this Act, and which are foreclosed before there shall have been paid on account of the principal obligation of the mortgage a sum equal to 10 per centum of the appraised value of the property as of the date the mortgage was accepted for insurance, there may be included in the debentures issued by the Administrator, on account of foreclosure costs actually paid by the mortgagee and approved by the Administrator an amount not in excess of 2 per centum of the unpaid principal of the mortgage as of the date of the institution of foreclosure proceedings, but in no event in excess of \$75.

“(b) The Administrator may at any time, under such terms and conditions as he may prescribe, consent to the release of the mortgagor from his liability under the mortgage or the credit instrument secured thereby, or consent to the release of parts of the mortgaged property from the lien of the mortgage.

“(c) Debentures issued under this section shall be in such form and denominations in multiples of \$50, shall be subject to such terms and conditions, and shall include such provisions for redemption, if any, as may be prescribed by the Administrator with the approval of the Secretary of the Treasury, and may be in coupon or registered form. Any difference between the value of the mortgage determined as herein provided and the aggregate face value of the debentures issued, not to exceed \$50, shall be adjusted by the payment of cash by the Administrator to the mortgagee from the Fund as to mortgages insured under section 203 and from the Housing Fund as to mortgages insured under section 210.

“(d) The debentures issued under this section to any mortgagee<sup>1</sup> with respect to mortgages insured under section 203 shall be executed in the name of the Mutual Mortgage Insurance Fund as obligor, shall be signed by the Administrator by either his written or engraved signature, and shall be negotiable and the debentures issued under this section to any mortgagee with respect to mortgages insured under section 210 shall be executed in the name of the Housing Insurance Fund as obligor, shall be signed by the Administrator by either his written or engraved signature, and shall be negotiable. All such debentures shall be dated as of the date foreclosure proceedings were instituted, or the property was otherwise acquired by the mortgagee after default, and shall bear interest from such date at a rate determined by the Administrator, with the approval of the Secretary of the Treasury, at the time the mortgage was offered for insurance, but not to

Issuance of debentures and certificate of claim to mortgagee.  
Determination of value of mortgage.

*Proviso.*  
Foreclosed mortgages on single-family properties.  
*Ante*, p. 10.

Inclusion of foreclosure costs in debentures; maximum amount.

Release of liability of mortgagor under mortgage, etc.

Debentures, issuance in multiples of \$50, etc.

Redemption provisions.

*Ante*, p. 10; *post*, p. 22.

Execution in name of Mutual Mortgage Insurance Fund as obligor.

Execution in name of Housing Insurance Fund as obligor.

Date and interest rate.

<sup>1</sup> So in original.

Maturity.	<p>exceed 3 per centum per annum, payable semiannually on the 1st day of January and the 1st day of July of each year, and shall mature three years after the 1st day of July following the maturity date of the mortgage on the property in exchange for which the debentures were issued. Such debentures as are issued in exchange for property covered by mortgages insured under section 203 or section 207 prior to the date of enactment of the National Housing Act Amendments of 1938 shall be subject only to such Federal, State, and local taxes as the mortgages in exchange for which they are issued would be subject to in the hands of the holder of the debentures and shall be a liability of the Fund, but such debentures shall be fully and unconditionally guaranteed as to principal and interest by the United States; but any mortgagee entitled to receive any such debentures may elect to receive in lieu thereof a cash adjustment and debentures issued as hereinafter provided and bearing the current rate of interest. Such debentures as are issued in exchange for property covered by mortgages insured after the date of enactment of the National Housing Act Amendments of 1938 shall be exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority; and such debentures shall be paid out of the Fund, or the Housing Fund, as the case may be, which shall be primarily liable therefor, and they shall be fully and unconditionally guaranteed as to principal and interest by the United States, and such guaranty shall be expressed on the face of the debentures. In the event that the Fund or the Housing Fund fails to pay upon demand, when due, the principal of or interest on any debentures issued under this section, the Secretary of the Treasury shall pay to the holders the amount thereof which is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, and thereupon to the extent of the amount so paid the Secretary of the Treasury shall succeed to all the rights of the holders of such debentures.</p>
Debentures in respect of prior insured mortgages, taxation provisions.	
Guaranty by United States.	
Election of mortgagee to receive cash adjustment and debentures.	
Exemption from taxation; exception.	
Payment; funds available.	
If Fund or Housing Fund fails to pay.	
Certificate of claim. Amount.	<p>“(e) The certificate of claim issued by the Administrator to any mortgagee shall be for an amount which the Administrator determines to be sufficient, when added to the face value of the debentures issued and the cash adjustment paid to the mortgagee, to equal the amount which the mortgagee would have received if, at the time of the conveyance to the Administrator of the property covered by the mortgage, the mortgagor had redeemed the property and paid in full all obligations under the mortgage and a reasonable amount for necessary expenses incurred by the mortgagee in connection with the foreclosure proceedings, or the acquisition of the mortgaged property otherwise, and the conveyance thereof to the Administrator. Each such certificate of claim shall provide that there shall accrue to the holder of such certificate with respect to the face amount of such certificate, an increment at the rate of 3 per centum per annum which shall not be compounded. The amount to which the holder of any such certificate shall be entitled shall be determined as provided in subsection (f).</p>
Increment.	
Determination of amount to which certificate holder shall be entitled.	
	<p>“(f) If the net amount realized from any property conveyed to the Administrator under this section and the claims assigned therewith, after deducting all expenses incurred by the Administrator in handling, dealing with, and disposing of such property and in collecting such claims, exceeds the face value of the debentures issued and the cash paid in exchange for such property plus all interest paid on such debentures, such excess shall be divided as follows:</p> <p>“(1) If such excess is greater than the total amount payable under the certificate of claim issued in connection with such</p>

property, the Administrator shall pay to the holder of such certificate the full amount so payable, and any excess remaining thereafter shall be paid to the mortgagor of such property; and

“(2) If such excess is equal to or less than the total amount payable under such certificate of claim, the Administrator shall pay to the holder of such certificate the full amount of such excess.

“(g) Notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real property by the United States, the Administrator shall have power to deal with, complete, rent, renovate, modernize, insure, or sell for cash or credit, in his discretion, any properties conveyed to him in exchange for debentures and certificates of claim as provided in this section; and notwithstanding any other provision of law, the Administrator shall also have power to pursue to final collection, by way of compromise or otherwise, all claims against mortgagors assigned by mortgagees to the Administrator as provided in this section: *Provided*, That section 3709 of the Revised Statutes shall not be construed to apply to any contract for hazard insurance, or to any purchase or contract for services or supplies on account of such property if the amount thereof does not exceed \$1,000.

“(h) No mortgagee or mortgagor shall have, and no certificate of claim shall be construed to give to any mortgagee or mortgagor, any right or interest in any property conveyed to the Administrator or in any claim assigned to him; nor shall the Administrator owe any duty to any mortgagee or mortgagor with respect to the handling or disposal of any such property or the collection of any such claim.

#### “CLASSIFICATION OF MORTGAGES AND REINSURANCE FUND

“SEC. 205. (a) Mortgages accepted for insurance under section 203 shall be classified into groups in accordance with sound actuarial practice and risk characteristics. Premium charges, adjusted premium charges, and appraisal and other fees received on account of the insurance of any such mortgage, the receipts derived from the property covered by the mortgage and claims assigned to the Administrator in connection therewith and all earnings on the assets of the group account shall be credited to the account of the group to which the mortgage is assigned. The principal of and interest paid and to be paid on debentures issued in exchange for property conveyed to the Administrator under section 204 in connection with mortgages insured under section 203, payments made or to be made to the mortgagee and the mortgagor as provided in section 204, and expenses incurred in the handling of the property covered by the mortgage and in the collection of claims assigned to the Administrator in connection therewith, shall be charged to the account of the group to which such mortgage is assigned.

“(b) The Administrator shall also provide, in addition to the several group accounts, a general reinsurance account, the credit in which shall be available to cover charges against such group accounts where the amounts credited to such accounts are insufficient to cover such charges. General expenses of operation of the Federal Housing Administration under this title with respect to mortgages insured under section 203 may be allocated in the discretion of the Administrator among the several group accounts or charged to the general reinsurance account, and the amount allocated to the Fund under section 202 shall be credited to the general reinsurance account; except that any expenses incurred with respect to mortgages described in section 203 (b) (2) (B) shall be charged to the general reinsurance account.

Powers of Administrator in real property transactions.

Collection of claims against mortgagors.

*Proviso.*  
Contracts for hazard insurance.  
R. S. § 3709.  
41 U. S. C. § 5.

Conveyed property; rights of Administrator.

Classification of mortgages and reinsurance fund.  
Classification into groups.

Credit of receipts and earnings to group.

Payments.

General reinsurance account.

Allocation of general expenses of operation.

Termination of insurance of group.  
When amounts sufficient to discharge unpaid principal, etc.

Outstanding mortgages in group paid.  
Method of settlement.

Vested right in credit balance denied.

Finality of Administrator's determination.

Premium charges; payment, etc., to cease if property not conveyed to Administrator.

Termination of rights.

Share of credit balance by mortgagor.

Investment of funds.

Deposit, etc., of surplus Fund moneys.

Purchase of debentures by Administrator.

Cancellation of debentures so purchased.

Rental housing insurance.

Terms defined.

"Mortgage."

"(c) The Administrator shall terminate the insurance as to any group of mortgages (1) when he shall determine that the amounts to be distributed as hereinafter set forth to each mortgagee under an outstanding mortgage assigned to such group are sufficient to pay off the unpaid principal of each such mortgage, or (2) when all the outstanding mortgages in any group have been paid. Upon such termination the Administrator shall charge to the group account the estimated losses arising from transactions relating to that group, shall transfer to the general reinsurance account an amount equal to 10 per centum of the total premium charges theretofore credited to such group account, and shall distribute to the mortgagees for the benefit and account of the mortgagors of the mortgages assigned to such group the balance remaining in such group account. Any such distribution to mortgagees shall be made equitably and in accordance with sound actuarial and accounting practice.

"(d) No mortgagor or mortgagee of any mortgage insured under section 203 shall have any vested right in a credit balance in any such account, or be subject to any liability arising out of the mutuality of the Fund, and the determination of the Administrator as to the amount to be paid by him to any mortgagee or mortgagor shall be final and conclusive.

"(e) In the event that any mortgagee under a mortgage insured under this title forecloses on the mortgaged property but does not convey such property to the Administrator in accordance with section 204, and the Administrator is given written notice thereof, or in the event that the mortgagor pays the obligation under the mortgage in full prior to the maturity thereof, and the mortgagee pays any adjusted premium charge required under the provisions of section 203 (c), and the Administrator is given written notice by the mortgagee of the payment of such obligation, the obligation to pay any subsequent premium charge for insurance shall cease, and all rights of the mortgagee and the mortgagor under section 204 shall terminate as of the date of such notice. Upon such termination the mortgagor under a mortgage insured under section 203 shall be entitled to receive a share of the credit balance of the group account to which the mortgage has been assigned in such amount as the Administrator shall determine to be equitable and not inconsistent with the solvency of the group account and of the Fund.

#### "INVESTMENT OF FUNDS

"SEC. 206. Moneys in the Fund not needed for the current operations of the Federal Housing Administration shall be deposited with the Treasurer of the United States to the credit of the Fund, or invested in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States. The Administrator may, with the approval of the Secretary of the Treasury, purchase in the open market debentures issued under the provisions of section 204. Such purchases shall be made at a price which will provide an investment yield of not less than the yield obtainable from other investments authorized by this section. Debentures so purchased shall be canceled and not reissued, and the several group accounts to which such debentures have been charged shall be charged with the amounts used in making such purchases.

#### "RENTAL HOUSING INSURANCE

"SEC. 207. (a) As used in this section—

"(1) The term 'mortgage' means a first mortgage on real estate in fee simple, or on the interest of either the lessor or lessee thereof

(A) under a lease for not less than ninety-nine years which is renewable or (B) under a lease having a period of not less than fifty years to run from the date the mortgage was executed, upon which there is located or upon which there is to be constructed a building or buildings designed principally for residential use; and the term 'first mortgage' means such classes of first liens as are commonly given to secure advances (including but not being limited to advances during construction) on, or the unpaid purchase price of, real estate under the laws of the State, district, or Territory in which the real estate is located, together with the credit instrument or instruments, if any, secured thereby, and may be in the form of trust mortgages or mortgage indentures or deeds of trust securing notes, bonds, or other credit instruments.

"First mortgage."

"(2) The term 'mortgagee' means the original lender under a mortgage, and its successors and assigns, and includes the holders of credit instruments issued under a trust mortgage or deed of trust pursuant to which such holders act by and through a trustee therein named.

"Mortgagee."

"(3) The term 'mortgagor' means the original borrower under a mortgage and its successors and assigns.

"Mortgagor."

"(4) The term 'maturity date' means the date on which the mortgage indebtedness would be extinguished if paid in accordance with the periodic payments provided for in the mortgage.

"Maturity date."

"(5) The term 'slum or blighted area' means any area where dwellings predominate which, by reason of dilapidation, overcrowding, faulty arrangement or design, lack of ventilation, light or sanitation facilities, or any combination of these factors, are detrimental to safety, health, or morals.

"Slum or blighted area."

"(6) The term 'rental housing' means housing, the occupancy of which is permitted by the owner thereof in consideration of the payment of agreed charges, whether or not, by the terms of the agreement, such payment over a period of time will entitle the occupant to the ownership of the premises.

"Rental housing."

"(b) In addition to mortgages insured under section 203, the Administrator is authorized to insure mortgages as defined in this section (including advances on such mortgages during construction) which cover property held by—

Additional insurance provisions on certain property.

"(1) Federal or State, instrumentalities, municipal corporate instrumentalities of one or more States, or limited dividend corporations formed under and restricted by Federal or State housing laws as to rents, charges, capital structure, rate of return, or methods of operation; or

Government instrumentalities, etc.

"(2) Private corporations, associations, cooperative societies which are legal agents of owner-occupants, or trusts formed or created for the purpose of rehabilitating slum or blighted areas, or providing housing for rent or sale, and which possess powers necessary therefor and incidental thereto, and which, until the termination of all obligations of the Administrator under such insurance, are regulated or restricted by the Administrator as to rents or sales, charges, capital structure, rate of return, and methods of operation to such extent and in such manner as to provide reasonable rentals to tenants and a reasonable return on the investment. The Administrator may make such contracts with, and acquire for not to exceed \$100 such stock or interest in, any such corporation, association, cooperative society, or trust as he may deem necessary to render effective such restriction or regulation. Such stock or interest shall be paid for out of such Housing Fund, and shall be redeemed by the corporation, association, cooperative society, or trust at par upon the termination of all obligations of the Administrator under the insurance.

Private corporations, etc.  
Trusts.

Regulation.

Acquisition of stock by Administrator.

Redemption by corporation, etc.



Eligibility provisions.  
Maximum amount.

Amortization and interest.

Releases.

Property to be economically sound.  
*Post*, p. 22.

Premium charge.

Appraisal charge.

*Proviso.*  
Limitation.

Adjusted premium charge if obligation paid prior to maturity.

Housing Insurance Fund created.  
Use as revolving fund.

*Post*, p. 22.

Operating expenses chargeable to Fund.

Failure to make payment deemed default under mortgage.

Receipt of insurance benefits by mortgagee; conditions.

“(c) To be eligible for insurance under this section a mortgage on any property or project shall involve a principal obligation in an amount not to exceed \$5,000,000 and not to exceed 80 per centum of the amount which the Administrator estimates will be the value of the property or project when the proposed improvements are completed, and such part thereof as may be attributable to dwelling use shall not exceed \$1,350 per room, and the mortgage shall provide for complete amortization by periodic payments within such term as the Administrator shall prescribe, and shall bear interest (exclusive of premium charges for insurance) at not to exceed 5 per centum per annum on the amount of the principal obligation outstanding at any time. The Administrator may consent to the release of a part or parts of the mortgaged property from the lien of the mortgage upon such terms and conditions as he may prescribe and the mortgage may provide for such release. No mortgage shall be accepted for insurance under this section or section 210 unless the Administrator finds that the property or project, with respect to which the mortgage is executed, is economically sound.

“(d) The Administrator shall collect a premium charge for the insurance of mortgages under this section and section 210 which shall be payable annually in advance by the mortgagee, either in cash or in debentures issued by the Administrator under this title at par plus accrued interest. In addition to the premium charge herein provided for, the Administrator is authorized to charge and collect such amounts as he may deem reasonable for the appraisal of a property or project offered for insurance and for the inspection of such property or project during construction: *Provided*, That such charges for appraisal and inspection shall not aggregate more than one-half of 1 per centum of the original principal face amount of the mortgage.

“(e) In the event that the principal obligation of any mortgage accepted for insurance under this section is paid in full prior to the maturity date, the Administrator is authorized in his discretion to require the payment by the mortgagee of an adjusted premium charge in such amount as the Administrator determines to be equitable, but not in excess of the aggregate amount of the premium charges that the mortgagee would otherwise have been required to pay if the mortgage had continued to be insured until such maturity date.

“(f) There is hereby created a Housing Insurance Fund (herein referred to as the ‘Housing Fund’) which shall be used by the Administrator as a revolving fund for carrying out the provisions of this section and section 210, and the Administrator is hereby directed to transfer immediately to such Housing Fund the sum of \$1,000,000 from that part of the Fund now held by him arising from appraisal fees heretofore collected by him. General expenses of operations of the Federal Housing Administration under this section and section 210 may be charged to the Housing Fund.

“(g) The failure of the mortgagor to make any payment due under or provided to be paid by the terms of a mortgage insured under this section shall be considered a default under such mortgage and, if such default continues for a period of thirty days, the mortgagee shall be entitled to receive the benefits of the insurance as hereinafter provided, upon assignment, transfer, and delivery to the Administrator, within a period and in accordance with rules and regulations to be prescribed by the Administrator of (1) all rights and interests arising under the mortgage so in default; (2) all claims of the mortgagee against the mortgagor or others, arising out of

the mortgage transactions; (3) all policies of title or other insurance or surety bonds or other guaranties and any and all claims thereunder; (4) any balance of the mortgage loan not advanced to the mortgagor; (5) any cash or property held by the mortgagee, or to which it is entitled, as deposits made for the account of the mortgagor and which have not been applied in reduction of the principal of the mortgage indebtedness; and (6) all records, documents, books, papers, and accounts relating to the mortgage transaction. Upon such assignment, transfer, and delivery the obligation of the mortgagee to pay the premium charges for mortgage insurance shall cease, and the Administrator shall, subject to the cash adjustment provided for in subsection (j), issue to the mortgagee a certificate of claim as provided in subsection (h), and debentures having a total face value equal to the original principal face amount of the mortgage plus such amount as the mortgagee may have paid for (A) taxes, special assessments, and water rates, which are liens prior to the mortgage; (B) insurance on the property; and (C) reasonable expenses for the completion and preservation of the property, less the sum of (i) that part of the amount of the principal obligation that has been repaid by the mortgagor, (ii) an amount equivalent to 2 per centum of the unpaid amount of such principal obligation, and (iii) any net income received by the mortgagee from the property: *Provided*, That the mortgagee, in the event of a default under the mortgage, may, at its option and in accordance with rules and regulations to be prescribed by the Administrator, proceed to foreclose on or otherwise acquire the property as provided in the case of a mortgage which is in default under section 210 and receive the benefits of the insurance as provided in such section.

“(h) The certificate of claim issued by the Administrator to any mortgagee upon the assignment of the mortgage to the Administrator shall be for an amount which the Administrator determines to be sufficient, when added to the face value of the debentures issued and the cash adjustment paid to the mortgagee, to equal the amount which the mortgagee would have received if, on the date of the assignment, transfer and delivery to the Administrator provided for in subsection (g), the mortgagor had extinguished the mortgage indebtedness by payment in full of all obligations under the mortgage. Each such certificate of claim shall provide that there shall accrue to the holder of such certificate with respect to the face amount of such certificate, an increment at the rate of 3 per centum per annum which shall not be compounded. If the net amount realized from the mortgage, and all claims in connection therewith, so assigned, transferred, and delivered, and from the property covered by such mortgage and all claims in connection with such property, after deducting all expenses incurred by the Administrator in handling, dealing with, acquiring title to, and disposing of such mortgage and property and in collecting such claims, exceeds the face value of the debentures issued and the cash adjustment paid to the mortgagee plus all interest paid on such debentures, such excess shall be divided as follows:

“(1) If such excess is greater than the total amount payable under the certificate of claim issued in connection with such property, the Administrator shall pay to the holder of such certificate the full amount so payable, and any excess remaining thereafter shall be paid to the mortgagor of such property; and

“(2) If such excess is equal to or less than the total amount payable under such certificate of claim, the Administrator shall pay to the holder of such certificate the full amount of such excess.

Termination of obligation to pay premium charges.

Certificate of claim to mortgagee.  
Debentures equal to original amount of mortgage.  
Additional amount.

Deductions.

*Provido.*  
Optional foreclosure by mortgagee.

*Post*, p. 22.

Certificate of claim, determination of amount to which mortgagee entitled.

Increment provided.

If net amount realized from mortgage, etc., in excess of debentures; division of excess.

Execution of debentures, provisions governing.

Interest rate, limitation.

Maturity.

Taxation provisions.

Payable from Housing Fund.  
Guaranty by United States.

Payment if Housing Fund fails to pay when due.

Issue of debentures in multiples of \$50.

Form.

Administrator, powers and functions.

Proviso.  
Foreclosure.

Bidding at sale for Housing Fund protection.

“(i) Debentures issued under this section upon the assignment of an insured mortgage to the Administrator shall be executed in the name of the Housing Insurance Fund as obligor, shall be signed by the Administrator, by either his written or engraved signature, and shall be negotiable. They shall bear interest at a rate determined by the Administrator, with the approval of the Secretary of the Treasury, at the time the mortgage was insured, but not to exceed 3 per centum per annum payable semiannually on the 1st day of January and the 1st day of July of each year, and shall mature three years after the 1st day of July following the maturity date of the mortgage in exchange for which the debentures were issued. Such debentures as are issued in exchange for mortgages insured after the date of enactment of the National Housing Act Amendments of 1938 shall be exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority. They shall be paid out of the Housing Fund which shall be primarily liable therefor, and they shall be fully and unconditionally guaranteed as to principal and interest by the United States, and such guaranty shall be expressed on the face of the debentures. In the event the Housing Fund fails to pay upon demand, when due, the principal of or interest on any debentures so guaranteed, the Secretary of the Treasury shall pay to the holders the amount thereof which is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, and thereupon, to the extent of the amount so paid, the Secretary of the Treasury shall succeed to all the rights of the holders of such debentures.

“(j) Debentures issued under this section shall be in such form and denominations in multiples of \$50, shall be subject to such terms and conditions, and shall include such provision for redemption, if any, as may be prescribed by the Administrator with the approval of the Secretary of the Treasury, and may be in coupon or registered form. Any difference between the amount of debentures to which the mortgagee is entitled under this section, and the aggregate face value of the debentures issued, not to exceed \$50, shall be adjusted by the payment of cash by the Administrator to the mortgagee from the Housing Fund.

“(k) The Administrator is hereby authorized either to (1) acquire possession of and title to any property, covered by a mortgage insured under this section and assigned to him, by voluntary conveyance in extinguishment of the mortgage indebtedness, or (2) institute proceedings for foreclosure on the property covered by any such insured mortgage and prosecute such proceedings to conclusion. The Administrator shall so acquire possession of and title to the property by voluntary conveyance or institute foreclosure proceedings as provided in this section within a period of one year from the date on which any such mortgage becomes in default under its terms or under the regulations prescribed by the Administrator: *Provided*, That the foregoing provisions shall not be construed in any manner to limit the power of the Administrator to foreclose on the mortgaged property after the expiration of such period, or the right of the mortgagor to reinstate the mortgage by the payment, prior to the expiration of such period, of all delinquencies thereunder. The Administrator at any sale under foreclosure may, in his discretion, for the protection of the Housing Fund, bid any sum up to but not in excess of the total unpaid indebtedness secured by the mortgage, plus taxes, insurance, foreclosure costs, fees, and other expenses, and

may become the purchaser of the property at such sale. The Administrator is authorized to pay from the Housing Fund such sums as may be necessary to defray such taxes, insurance, costs, fees, and other expenses in connection with the acquisition or foreclosure of property under this section. Pending such acquisition by voluntary conveyance or by foreclosure, the Administrator is authorized, with respect to any mortgage assigned to him under the provisions of subsection (g), to exercise all the rights of a mortgagee under such mortgage, including the right to sell such mortgage, and to take such action and advance such sums as may be necessary to preserve or protect the lien of such mortgage.

“(1) Notwithstanding any other provisions of law relating to the acquisition, handling, or disposal of real and other property by the United States, the Administrator shall also have power, for the protection of the interests of the Housing Fund, to pay out of the Housing Fund all expenses or charges in connection with, and to deal with, complete, reconstruct, rent, renovate, modernize, insure, make contracts for the management of, or establish suitable agencies for the management of, or sell for cash or credit or lease in his discretion, any property acquired by him under this section; and notwithstanding any other provision of law, the Administrator shall also have power to pursue to final collection by way of compromise or otherwise all claims assigned and transferred to him in connection with the assignment, transfer, and delivery provided for in this section, and at any time, upon default, to foreclose on any property secured by any mortgage assigned and transferred to or held by him: *Provided*, That section 3709 of the Revised Statutes shall not be construed to apply to any contract for hazard insurance, or to any purchase or contract for services or supplies on account of such property if the amount thereof does not exceed \$1,000.

“(m) Premium charges, adjusted premium charges, and appraisal and other fees, received on account of the insurance of any mortgage insured under this section or section 210, the receipts derived from any such mortgage or claim assigned to the Administrator and from any property acquired by the Administrator, and all earnings on the assets of the Housing Fund, shall be credited to the Housing Fund. The principal of and interest paid and to be paid on debentures issued in exchange for any mortgage or property insured under this section or section 210, cash adjustments, and expenses incurred in the handling of such mortgages or property and in the foreclosure and collection of mortgages and claims assigned to the Administrator under this section or section 210, shall be charged to the Housing Fund.

“(n) In the event that a mortgage insured under this section becomes in default through failure of the mortgagor to make any payment due under or provided to be paid by the terms of the mortgage and such mortgage continues in default for a period of thirty days, but the mortgagee does not foreclose on or otherwise acquire the property, or does not assign and transfer such mortgage and the credit instrument secured thereby to the Administrator, in accordance with subsection (g), and the Administrator is given written notice thereof, or in the event that the mortgagor pays the obligation under the mortgage in full prior to the maturity thereof, and the mortgagee pays any adjusted premium charge required under the provisions of subsection (e), and the Administrator is given written notice by the mortgagee of the payment of such obligation, the obligation to pay the annual premium charge for insurance shall cease, and all rights of the mortgagee and the mortgagor under this section shall terminate as of the date of such notice.

Payment of taxes, etc.

Exercise of rights pending acquisition.

Powers of Administrator with respect to acquired property.

Establishment of agencies.

Collection of claims.

Foreclosures.

*Provided.*  
Contracts for hazard insurance.  
R. S. § 3709.  
41 U. S. C. § 5.

Credit of charges and fees received to Housing Fund.

Designated payments chargeable to Housing Fund.

Termination of rights of mortgagor and mortgagee.  
Failure of mortgagee to foreclose, etc., or assign mortgage in default.

Payment prior to maturity by mortgagor and payment of adjusted premium charge by mortgagee.

Premium charges, cessation.

Existing mortgages;  
reissue of mortgage  
insurance.

"(o) The Administrator, with the consent of the mortgagee and the mortgagor of a mortgage insured under this section prior to the date of enactment of the National Housing Act Amendments of 1938, shall be empowered to reissue such mortgage insurance in accordance with the provisions of this section as amended by such Act, and any such insurance not so reissued shall not be affected by the enactment of such Act.

Deposit, etc., of  
surplus moneys.

"(p) Moneys in the Housing Fund not needed for current operations of this section and section 210 shall be deposited with the Treasurer of the United States to the credit of the Housing Fund or invested in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States. The Administrator may, with the approval of the Secretary of the Treasury, purchase in the open market debentures issued under the provisions of this section and section 204. Such purchases shall be made at a price which will provide an investment yield of not less than the yield obtainable from other investments authorized by this subsection. Debentures so purchased shall be canceled and not reissued.

Purchases of debentures in open market.

*Ante*, p. 12.

Taxation provisions.

#### "TAXATION PROVISIONS

Real property acquired by Administrator.

"SEC. 208. Nothing in this title shall be construed to exempt any real property acquired and held by the Administrator under this title from taxation by any State or political subdivision thereof, to the same extent, according to its value, as other real property is taxed.

Statistical and economic surveys.

#### "STATISTICAL AND ECONOMIC SURVEYS

Authority to make.

"SEC. 209. The Administrator shall cause to be made such statistical surveys and legal and economic studies as he shall deem useful to guide the development of housing and the creation of a sound mortgage market in the United States, and shall publish from time to time the results of such surveys and studies. Expenses of such studies and surveys, and expenses of publication and distribution of the results of such studies and surveys, shall be charged as a general expense of the Fund and the Housing Fund in such proportion as the Administrator shall determine.

Publication of results.  
Expenses.

#### "ADDITIONAL HOUSING INSURANCE

Additional housing insurance.

Advances during construction.

"SEC. 210. (a) In addition to mortgages insured under sections 203 and 207 the Administrator is authorized to insure mortgages as defined in section 207 (a) (1), including advances on such mortgages during construction, covering property upon which there is located or upon which there is to be constructed one or more multifamily dwellings or a group of not less than ten single-family dwellings: *Provided*, That the property shall have been approved for mortgage insurance prior to the beginning of construction.

Multifamily, etc., dwellings.

*Proviso.*  
Approval prior to beginning of construction.  
Eligibility.

"(b) To be eligible for insurance under this section a mortgage shall—

Amount of obligation involved.

"(1) Involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Administrator shall approve) in an amount in excess of \$16,000 but not in excess of \$200,000 and not in excess of 80 per centum of the amount which the Administrator estimates will be the value of the property when the proposed improvements are completed, and such part thereof as may be attributable to dwelling use shall not exceed \$1,150 per room.

"(2) Have a maturity satisfactory to the Administrator, but not to exceed twenty-one years and contain complete amortization provisions satisfactory to the Administrator.

Maturity and amortization provisions.

"(3) Bear interest (exclusive of premium charges for insurance) at not to exceed 5 per centum per annum on the amount of the principal obligation outstanding at any time.

Interest.

"(4) Contain such terms, conditions, and provisions with respect to advances during construction, assurance of completion, recognition of equitable rights of contract purchasers in good standing, release of part of the mortgaged premises from the lien of the mortgage, insurance, repairs, alterations, payment of taxes, default and management reserves, delinquency charges, foreclosure proceedings, anticipation of maturity, additional and secondary liens, and other matters as the Administrator may in his discretion prescribe.

Terms, conditions, and other provisions.

#### "RULES AND REGULATIONS

"SEC. 211. The Administrator is authorized and directed to make such rules and regulations as may be necessary to carry out the provisions of this title."

Rules and regulations.

SEC. 4. Section 301 (a) of such Act is amended to read as follows:

"SEC. 301. (a) The Administrator is further authorized and empowered to provide for the establishment of national mortgage associations as hereinafter provided which shall be authorized, subject to rules and regulations to be prescribed by the Administrator—

48 Stat. 1252.  
12 U. S. C. § 1716(d);  
Supp. III, § 1716(d).  
National mortgage associations.  
Establishment authorized.

"(1) To make real-estate loans which are accepted for insurance or insured under Title II of this Act: *Provided*, That no such association controlled or operated by the United States or any agency of the United States shall make any real-estate loan which is accepted for insurance or insured under section 203 of this Act;

Authorized functions.  
Real-estate loans accepted for insurance, etc.  
*Proviso.*  
Restriction.  
*Ante*, p. 10.

"(2) To purchase, service, or sell any mortgages, or partial interests therein, which are insured under Title II of this Act;

Purchase, service, or sale of mortgages insured under Title II.  
Uninsured first mortgages.

"(3) To purchase, service, or sell uninsured first mortgages and such other liens as are commonly given under the laws of the State, district, or Territory in which the real estate is located to secure advances upon real estate held in fee simple, or under a lease for not less than ninety-nine years which is renewable, or under a lease having a period of not less than fifty years to run from the date the mortgage was executed, together with the credit instruments, if any, secured thereby; but the amount of the principal obligation of any such uninsured mortgage shall not exceed 60 per centum of the appraised value of the property as of the date the mortgage is purchased by the association; and

Limitation on amount of principal obligation.

"(4) To borrow money for any of the foregoing purposes through the issuance of notes, bonds, debentures, or other such obligations as hereinafter provided."

Issuance of notes, etc.

SEC. 5. Section 301 (d) of such Act is amended to read as follows:

"(d) No association shall transact any business except such as is incidental to its organization until it has been authorized to do so by the Administrator. Each such association shall have a capital stock of a par value of not less than \$2,000,000, and no authorization to commence business shall be granted by the Administrator to any such association until he is satisfied that such capital stock has been subscribed for at not less than par and that at least 25 per centum thereof has been paid in cash, or in Government securities at their par value, or in first mortgages or such other first liens as are described in section 301 (a) hereof, which mortgages or liens shall be

Limitation on transaction of business.

Capital stock requirements.

<i>Proviso.</i> Restriction on issuance of obligations.	taken at such value as the Administrator may determine, not exceeding (except as to mortgages insured under title II of this Act) 60 per centum of the appraised value of the property as of the date of subscription, and that the remainder of the subscription to such capital stock is payable in the same manner and at such time as may be determined by the Administrator: <i>Provided</i> , That no association shall issue notes, bonds, debentures, or other such obligations until such time as such subscriptions are paid in full in cash or Government securities at their par value or in mortgages or other liens as hereinbefore set forth."
12 U. S. C. § 1717; Supp. III, § 1717. Outstanding obligations.	SEC. 6. Section 302 of such Act is amended to read as follows:
Aggregate amount.	"SEC. 302. Each national mortgage association is authorized to issue and have outstanding at any time notes, bonds, debentures, or other such obligations in an aggregate amount not to exceed (1) twenty times the amount of its paid-up capital and surplus, and in no event to exceed (2) the current unpaid principal of mortgages held by it and insured under the provisions of title II of this Act, plus the amount of its cash on hand and on deposit and the amortized value of its investments in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States. No national mortgage association shall borrow money otherwise than through the issuance of such notes, bonds, debentures, or other obligations, except with the approval of the Administrator and under such rules and regulations as he shall prescribe. An association may, if its bylaws so provide, accept any notes, bonds, debentures, or other obligations issued by it in payment of obligations due it at par plus accrued interest: <i>Provided</i> , That such notes, bonds, debentures, or other obligations so accepted shall be canceled and not reissued."
<i>Ante</i> , p. 9.	SEC. 7. Section 303 of such Act is amended to read as follows:
Borrowing by association, restriction.	"SEC. 303. Moneys of any national mortgage association not invested in first mortgages or other liens as provided in section 301, or in operating facilities approved by the Administrator, shall be kept in cash on hand or on deposit, or invested in bonds or other obligations of, or in bonds or other obligations guaranteed as to principal and interest by, the United States; except that each such association shall keep and maintain such reserves as the Administrator shall by rules and regulations prescribe, and may purchase in the open market notes, bonds, debentures, or other such obligations issued under section 302."
Acceptance of its notes, etc., in payment of obligations due. <i>Proviso.</i> Cancellation.	SEC. 8. Section 307 of such Act is amended to read as follows:
12 U. S. C. § 1718. Investment of funds. <i>Ante</i> , p. 23.	"SEC. 307. All notes, bonds, debentures, or other obligations issued
Maintenance of reserves.	by any national mortgage association shall be exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority. Every national mortgage association, including its franchise, capital, reserves, surplus, mortgage loans, income, and stock, shall be exempt from taxation now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority. Nothing herein shall be construed to exempt the real property of such association from taxation by any State, county, municipality, or local taxing authority to the same extent according to its value as other real property is taxed."
12 U. S. C. § 1722. Taxation provisions. Notes, bonds, etc., exempt; exception.	SEC. 9. Section 512 (a) of such Act is amended to read as follows:
National mortgage associations, exemption.	"SEC. 512. (a) Whoever, for the purpose of obtaining any loan or advance of credit from any person, partnership, association, or corporation with the intent that such loan or advance of credit shall
Real property of association not included.	
12 U. S. C. § 1731. Penalties. Misrepresentations.	

be offered to or accepted by the Federal Housing Administration for insurance, or for the purpose of obtaining any extension or renewal of any loan, advance of credit, or mortgage insured by the said Administration, or the acceptance, release, or substitution of any security on such a loan, advance of credit, or for the purpose of influencing in any way the action of the said Administration under this Act, makes, passes, utters, or publishes, or causes to be made, passed, uttered, or published any statement, knowing the same to be false, or alters, forges, or counterfeits, or causes or procures to be altered, forged, or counterfeited, any instrument, paper, or document, or utters, publishes, or passes as true, or causes to be uttered, published, or passed as true, any instrument, paper, or document, knowing it to have been altered, forged, or counterfeited, or willfully overvalues any security, asset, or income, shall be punished by a fine of not more than \$3,000 or by imprisonment for not more than two years, or both."

Penalty for violation.

SEC. 10. Section 512 of such Act is further amended by adding at the end thereof the following new subsections:

Subsections added.

"(d) No individual, association, partnership, or corporation, shall hereafter, while the Federal Housing Administration exists, use the words 'Federal Housing' or 'National Housing', or any combination or variation of any of these words, alone or with other words, as the name under which he or it shall do business, which shall have the effect of leading the public to believe that any such individual, association, partnership, or corporation has any connection with, or authorization from, the Federal Housing Administration, the Government of the United States, or any instrumentality thereof, where such connection or authorization does not, in fact, exist. No individual, association, partnership, or corporation shall falsely advertise, or otherwise represent falsely by any device whatsoever, that any project or business in which he or it is engaged, or product which he or it manufactures, deals in, or sells, has been in any way endorsed, authorized, or approved by the Federal Housing Administration, or by the Government of the United States, or by any instrumentality thereof. Every violation of this subsection shall be punished by a fine not exceeding \$1,000 or by imprisonment not exceeding one year, or both.

Misuse of words.

False advertisements, etc.

Penalty for violation.

"(e) Whoever, for the purpose of inducing the insurance of the accounts of any institution by the Federal Savings and Loan Insurance Corporation or for the purpose of obtaining any extension or renewal of such insurance by said Corporation or for the purpose of influencing in any way the action of the said Corporation under this Act, makes, passes, utters, or publishes, or causes to be made, passed, uttered, or published, any statement, knowing the same to be false, or utters, forges, or counterfeits, or causes or procures to be uttered, forged, or counterfeited, any instrument, paper, or document, or utters, publishes, or passes as true, or causes to be uttered, published, or passed as true, any instrument, paper, or document, knowing it to have been uttered, forged, or counterfeited, or willfully overvalues any security, asset, or income, of any institution insured or applying for insurance by said Corporation, shall be punished by a fine of not more than \$5,000, or by imprisonment for not more than two years, or both.

False statements, forgeries, etc.

Penalty for violation.

"(f) Any person who willfully and knowingly makes, circulates, or transmits to another or others any statement, or rumor written, printed or by word of mouth, which is untrue in fact and is directly or by inference derogatory to the financial condition or affects the solvency or financial standing of the Federal Savings and Loan Insurance Corporation, or who knowingly counsels, aids, procures, or induces another to start, transmit, or circulate any such statement

Statements derogatory to financial condition of Corporation.



Penalty for violation.

New section.  
12 U. S. C. § 1732.

Application of designated laws to Act.  
49 Stat. 294, 295; 12 U. S. C., Supp. III, § 1430.

R. S. § 5136; 49 Stat. 709; 12 U. S. C., Supp. III, § 24.

49 Stat. 706; 12 U. S. C., Supp. III, § 371.

49 Stat. 664; 11 U. S. C., Supp. III, § 207; *post*, p. 840.

49 Stat. 3; 15 U. S. C., Supp. III, § 6061.

Life insurance companies, D. C.  
48 Stat. 1152.

Bonds, etc., secured by insured mortgages.  
*Provido.*  
Ratio restrictions not to apply.

48 Stat. 1152.

Bonds, etc., of national mortgage associations.

R. S. § 5136; 49 Stat. 709; 12 U. S. C., Supp. III, § 24.

National banking associations.  
Investments in obligations of national mortgage associations.

or rumor, is guilty of a misdemeanor punishable by a fine of not more than \$1,000 or by imprisonment of not exceeding one year, or both."

SEC. 11. Title V of such Act is further amended by adding after section 513 thereof the following new section:

"SEC. 514. The provisions of section 10 (a) 1 and 10b of the Federal Home Loan Bank Act, as amended (49 Stat. 294, 295); paragraph seventh of section 5136 of the Revised Statutes, as amended (49 Stat. 709); section 24 of the Federal Reserve Act, as amended (49 Stat. 706); subsection (n) of section 77B of the Bankruptcy Act, as amended (49 Stat. 664); section 5 (c) of the Act approved January 31, 1935, continuing and extending the functions of the Reconstruction Finance Corporation (49 Stat. 1); and all other provisions of law establishing rights under mortgages insured in accordance with the provisions of the National Housing Act, shall be held to apply to such Act, as amended."

SEC. 12. (a) Section 35 of chapter III of the Act entitled "An Act to regulate the business of life insurance in the District of Columbia", approved June 19, 1934 (48 Stat. 1152), is amended by inserting between paragraph (3) and paragraph (4) of such section a new paragraph to read as follows:

"(3a) Bonds or notes secured by mortgages insured by the Federal Housing Administrator: *Provided*, That the restrictions in paragraph (3) of this section in regard to the ratio of the loan to the value of the property shall not apply to such insured mortgages."

(b) Paragraph (4) of section 35 of such Act is amended to read as follows:

"(4) Bonds or other evidences of indebtedness of the farm loan banks authorized under the Federal Farm Loan Act or Acts amendatory thereof or supplementary thereto, and bonds or other evidences of indebtedness of national mortgage associations."

SEC. 13. The last sentence of paragraph "Seventh" of section 5136 of the Revised Statutes, as amended, is further amended by inserting before the colon after the words "guaranteed as to principal and interest by the United States" a comma and the following: "or obligations of national mortgage associations".

Approved, February 3, 1938.

#### [CHAPTER 14]

#### JOINT RESOLUTION

February 4, 1938

[H. J. Res. 571]

[Pub. Res., No. 78]

Making appropriations available for administration of the Sugar Act of 1937 and for crop production and harvesting loans.

Appropriations,  
Sugar Act of 1937, etc.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,*

Legislative.

#### LEGISLATIVE

Senate.

#### SENATE

Expenses.

That the following sums are hereby appropriated, out of any money in the Treasury not otherwise appropriated, for expenses of the Senate, namely:

Inquiries and investigations.

For expenses of inquiries and investigations ordered by the Senate, including compensation to stenographers of committees, at such rate as may be fixed by the Committee to Audit and Control the Continuing Expenses of the Senate, but not exceeding 25 cents per hundred

words, fiscal year 1938, \$160,000: *Provided*, That no part of this appropriation shall be expended for per diem and subsistence expenses except in accordance with the provisions of the Subsistence Expense Act of 1926, approved June 3, 1926, as amended.

For repairs, improvements, equipment, and supplies for Senate kitchens and restaurants, Capitol Building and Senate Office Building, including personal and other services, to be expended from the contingent fund of the Senate, under supervision of the Committee on Rules, United States Senate, fiscal year 1938, \$30,000.

*Proviso.*  
Per diem and subsistence.  
44 Stat. 688.  
5 U. S. C. §§ 821-833.

Senate kitchens and restaurants, repairs, etc.

## EXECUTIVE

Executive.

### DEPARTMENT OF AGRICULTURE

Department of Agriculture.

Sugar Act of 1937: That for an additional amount to enable the Secretary of Agriculture to carry into effect the provisions, other than those specifically relating to the Philippine Islands, of the Sugar Act of 1937, approved September 1, 1937 (50 Stat. 903-916), including printing and binding, and the employment of persons and means in the District of Columbia and elsewhere, as authorized by such Act, there is hereby appropriated for the fiscal year ending June 30, 1938, out of any money in the Treasury not otherwise appropriated, the sum of \$39,750,000: *Provided*, That from this appropriation and the appropriation of \$250,000 for this purpose in the Third Deficiency Appropriation Act, fiscal year 1937, there shall not be obligated during the fiscal year 1938 for the following respective purposes sums in excess of the following amounts: For personal services in the Department of Agriculture in the District of Columbia, \$115,000; for personal services in the Department of Agriculture in the field, \$350,000; for miscellaneous administrative expenses (other than personal services) in the Department of Agriculture in the District of Columbia and in the field, \$160,000; and for transfer of funds to the Office of Treasurer of the United States, Division of Disbursement (Treasury Department), and the General Accounting Office, \$25,000; but the limitations set forth in this proviso shall not include expenses of local committees under the provisions of section 305 of such Act.

Sugar Act of 1937.  
Administrative expenses.  
50 Stat. 903.  
7 U. S. C., Supp. III, ch. 34.  
Printing and binding.

*Proviso.*  
Obligations; limitations.  
50 Stat. 762.

Expenses of local committees.

### FARM CREDIT ADMINISTRATION

Crop production and harvesting loans: That the appropriation for crop loans made under the heading "Farm Credit Administration" by the First Deficiency Appropriation Act, fiscal year 1937, together with all collections heretofore or hereafter made under the Act of January 29, 1937, of the character specified in section 7 (b) of such Act, shall be available until June 30, 1939, for making and collecting crop production and harvesting loans under such Act of January 29, 1937, regardless of any limitation to the calendar year 1937 or the fiscal year 1938 in such appropriation or such Act: *Provided*, That loans under the foregoing appropriation shall only be made to borrowers, who, in the opinion of the Governor of the Farm Credit Administration, will undertake in good faith to repay such loans in accordance with their terms, and no such loan shall be made in any State unless the Governor of the Farm Credit Administration has reasonable assurance that State and local authority will take no action which will encourage the borrower residing therein to evade payment of such obligation.

Farm Credit Administration.  
Crop production and harvesting loans.  
50 Stat. 11.

Availability of designated collections.  
50 Stat. 7.

*Proviso.*  
Conditions.

Approved, February 4, 1938.

## [CHAPTER 23]

## AN ACT

February 11, 1938  
[S. 1691]  
[Public, No. 425]

To provide that residence requirements for judges shall not be held to apply to judges who have retired.

United States  
courts.  
Retired judges, resi-  
dence requirements.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That no provision of law requiring any judge of any court of the United States to reside in any district or circuit shall be held or considered to apply to any such judge after he shall have retired.

Approved, February 11, 1938.

## [CHAPTER 24]

## AN ACT

February 11, 1938  
[S. 2387]  
[Public, No. 426]

To authorize certain officers and employees of Federal penal and correctional institutions to administer oaths.

Federal penal or  
correctional institu-  
tions.  
Administration of  
oaths, etc.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the warden and associate warden of each Federal penal or correctional institution are hereby authorized and empowered to administer oaths to and take acknowledgments of officers and employees, as well as inmates, of such institutions.

Fee, etc., restric-  
tion.

SEC. 2. None of said officers or employees shall demand or accept any fee or compensation whatsoever for administering or taking any oath, affirmation, acknowledgment, or affidavit under the authority conferred by this Act.

Approved, February 11, 1938.

## [CHAPTER 25]

## AN ACT

February 11, 1938  
[H. R. 9043]  
[Public, No. 427]

To amend an Act to provide for the retirement of Justices of the Supreme Court.

Retired Justices of  
the Supreme Court,  
recall to service.  
50 Stat. 24.  
28 U. S. C., Supp.  
III, § 375a.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act to provide for retirement of Justices of the Supreme Court approved March 1, 1937, be, and is hereby, amended by adding thereto the following:

"Judicial circuit" to  
include the District of  
Columbia.

"SEC. 2. The term 'judicial circuit' as used in this Act includes the District of Columbia."

Approved, February 11, 1938.

## [CHAPTER 27]

## AN ACT

February 12, 1938  
[S. 2583]  
[Public, No. 428]

To provide for the acquisition of certain lands for and the addition thereof to the Tahoe National Forest, in the State of Nevada, and the acquisition of certain other lands for the completion of the acquisition of the remaining lands within the limits of the Great Smoky Mountains National Park, in east Tennessee.

Tahoe National  
Forest, Nev.  
Acquisition of lands.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of Agriculture is hereby authorized to acquire, by purchase when purchasable at prices deemed by him reasonable, or by exchange under the provisions of the Act of March 20, 1922, as amended, or by condemnation under the provisions of the Act of August 1, 1888, on behalf of the United States with any fund or moneys available for such purpose, any of the following-described lands in the State of

42 Stat. 465.  
16 U. S. C. §§ 485,  
486.  
25 Stat. 357.  
40 U. S. C. §§ 257-  
258e.

Nevada now in private ownership, to wit: Township 20 north, range 18 east, sections 7, 8, 18, 19, 30, and 31; township 19 north, range 18 east, sections 20, 22, 24, 25, 27, 28, and 32; township 19 north, range 19 east, section 32; township 18 north, range 18 east, sections 1, 2, 3, 4, 6, 10, 11, 12, 13, 14, 15, 16, 18, 21, 22, 23, 24, 26, 28, 35, and 36; township 18 north, range 19 east, sections 4, 5 to 10, inclusive, 14, 15 to 26, inclusive, 29 to 32, inclusive, 34, and 35; township 18 north, range 20 east, section 31; township 17 north, range 18 east, sections 1, 9, 11, 13, 15, 16, 24, 25, 29, 31, 32, 33, and 35; township 17 north, range 19 east, sections 1, 5, 6, 7, 8, 11, 13, 15 to 20, inclusive, 29, and 31; township 16 north, range 18 east, sections 1, 2, 3, 5, 6, 8 to 18, inclusive, 21, 22, 23, 24, 25, 26, 35, and 36; township 16 north, range 19 east, sections 5 to 9, inclusive, 17 to 20, inclusive, and 28 to 36, inclusive; township 15 north, range 18 east, sections 1 and 2; township 15 north, range 19 east, sections 4, 5, and 6; township 14 north, range 18 east, sections 22 to 27, inclusive, 35, and 36; township 14 north, range 19 east, sections 7, 8, 9, 18, 19, 20, 30, and 31; township 13 north, range 18 east, sections 1, 2, 3, 10 to 14, inclusive, 22, 23, and 24, all Mount Diablo base and meridian.

SEC. 2. When title to any of the aforesaid privately owned lands has been vested in the United States, such lands described in section 1 hereof shall be added to and become a part of the Tahoe National Forest and shall be subject to all laws and regulations applicable thereto: *Provided*, That nothing in this Act shall be construed to affect any valid existing rights.

SEC. 3. The provisions of the Act approved June 10, 1920, as amended, known as the Federal Water Power Act, shall not apply to any of the lands added to the Tahoe National Forest pursuant to the provisions of this Act.

SEC. 4. There is hereby authorized to be appropriated the sum of \$325,000, or so much thereof as may be necessary, to carry out the provisions of this Act.

SEC. 5. The Secretary of the Interior is hereby authorized to acquire on behalf of the United States by purchase, at prices deemed by him to be reasonable, the lands needed to complete the Great Smoky Mountains National Park in the State of Tennessee, in accordance with the provisions of the Act of Congress approved May 22, 1926 (44 Stat. 616); and the Secretary of the Interior is further authorized, when in his opinion unreasonable prices are asked for any of such lands, to acquire the same by condemnation under the provisions of the Act of August 1, 1888.

SEC. 6. There is hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, the sum of \$743,265.29 to complete the acquisition of lands within the limits of said park, such funds to be available until expended.

Approved, February 12, 1938.

## [CHAPTER 28]

### AN ACT

Authorizing the sale of certain lands to the Regents of the Agricultural College of New Mexico.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of the Interior is authorized and directed to convey by patent deed to the Regents of the Agricultural College of New Mexico, a corporation, upon payment by such corporation of a purchase price at

Description.

Addition to national forest.

*Proviso.*  
Valid existing rights.

Federal Water Power Act provisions not to apply to addition.

41 Stat. 1063.  
16 U. S. C. §§ 791-823.

Appropriation authorized.

Great Smoky Mountains National Park, Tenn.  
Acquisition of lands for completion of.

44 Stat. 616.  
16 U. S. C. § 403.

25 Stat. 357.  
40 U. S. C. §§ 257-258e.

Appropriation authorized.  
*Post*, p. 1134.

February 14, 1938  
[S. 2759]  
[Public, No. 429]

Agricultural College of New Mexico.  
Land conveyance to, authorized.

Purchase price.

Description.	the rate of \$1.25 per acre, the following-described lands: Sections 19, 29, and 30, the northeast quarter of section 31, the east half of the southeast quarter of section 31, township 22 south, range 4 east, New Mexico principal meridian. Such lands shall be used for the establishment of a recreational site and for educational purposes. The patent for such lands shall contain an express condition that if the corporation fails to use such lands for such purposes, or attempts to alienate such lands, title thereto shall revert to the United States. Any patent issued hereunder shall contain a reservation to the United States of all mineral deposits in the lands patented: <i>Provided</i> , That such minerals so reserved shall be prospected for, mined, and removed only in accordance with regulations which may be prescribed by the Secretary of the Interior.
Reversionary provision.	
<i>Proviso.</i> Minerals, etc.	

Approved, February 14, 1938.

# [CHAPTER 29]

## JOINT RESOLUTION

February 15, 1938  
[S. J. Res. 191]  
[Pub. Res., No. 79]

To protect foreign diplomatic and consular officers and the buildings and premises occupied by them in the District of Columbia.

District of Columbia.  
Protection of foreign diplomatic, etc., officers and property.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That it shall be unlawful to display any flag, banner, placard, or device designed or adapted to intimidate, coerce, or bring into public odium any foreign government, party, or organization, or any officer or officers thereof, or to bring into public disrepute political, social, or economic acts, views, or purposes of any foreign government, party, or organization, or to intimidate, coerce, harass, or bring into public disrepute any officer or officers or diplomatic or consular representatives of any foreign government, or to interfere with the free and safe pursuit of the duties of any diplomatic or consular representatives of any foreign government, within five hundred feet of any building or premises within the District of Columbia used or occupied by any foreign government or its representative or representatives as an embassy, legation, consulate, or for other official purposes, except by, and in accordance with, a permit issued by the superintendent of police of the said District; or to congregate within five hundred feet of any such building or premises, and refuse to disperse after having been ordered so to do by the police authorities of the said District.

Police permits.

Unlawful assembly, etc.

Jurisdiction of offenses.

Penalty for violation.

*Proviso.*  
Picketing incident to bona-fide labor disputes.

SEC. 2. The police court of the District of Columbia shall have jurisdiction of offenses committed in violation of this joint resolution; and any person convicted of violating any of the provisions of this joint resolution shall be punished by a fine not exceeding \$100 or by imprisonment not exceeding sixty days, or both: *Provided, however*, That nothing contained in this joint resolution shall be construed to prohibit picketing, as a result of bona-fide labor disputes regarding the alteration, repair, or construction of either buildings or premises occupied, for business purposes, wholly or in part, by representatives of foreign governments.

Approved, February 15, 1938.

## [CHAPTER 30]

## AN ACT

To provide for the conservation of national soil resources and to provide an adequate and balanced flow of agricultural commodities in interstate and foreign commerce and for other purposes.

February 16, 1938

[H. R. 8505]

[Public, No. 430]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Agricultural Adjustment Act of 1938".

Agricultural Adjust-  
ment Act of 1938.

## DECLARATION OF POLICY

SEC. 2. It is hereby declared to be the policy of Congress to continue the Soil Conservation and Domestic Allotment Act, as amended, for the purpose of conserving national resources, preventing the wasteful use of soil fertility, and of preserving, maintaining, and rebuilding the farm and ranch land resources in the national public interest; to accomplish these purposes through the encouragement of soil-building and soil-conserving crops and practices; to assist in the marketing of agricultural commodities for domestic consumption and for export; and to regulate interstate and foreign commerce in cotton, wheat, corn, tobacco, and rice to the extent necessary to provide an orderly, adequate, and balanced flow of such commodities in interstate and foreign commerce through storage of reserve supplies, loans, marketing quotas, assisting farmers to obtain, insofar as practicable, parity prices for such commodities and parity of income, and assisting consumers to obtain an adequate and steady supply of such commodities at fair prices.

Declaration of  
policy.

## TITLE I—AMENDMENTS TO SOIL CONSERVATION AND DOMESTIC ALLOTMENT ACT

## POWERS UNDER SOIL-CONSERVATION PROGRAM

SEC. 101. Section 8 (b) and (c) of the Soil Conservation and Domestic Allotment Act, as amended, are amended to read as follows:

"(b) Subject to the limitations provided in subsection (a) of this section, the Secretary shall have power to carry out the purposes specified in clauses (1), (2), (3), (4), and (5) of section 7 (a) by making payments or grants of other aid to agricultural producers, including tenants and sharecroppers, in amounts determined by the Secretary to be fair and reasonable in connection with the effectuation of such purposes during the year with respect to which such payments or grants are made, and measured by (1) their treatment or use of their land, or a part thereof, for soil restoration, soil conservation, or the prevention of erosion; (2) changes in the use of their land; (3) their equitable share, as determined by the Secretary, of the normal national production of any commodity or commodities required for domestic consumption; or (4) their equitable share, as determined by the Secretary, of the national production of any commodity or commodities required for domestic consumption and exports adjusted to reflect the extent to which their utilization of cropland on the farm conforms to farming practices which the Secretary determines will best effectuate the purposes specified in section 7 (a); or (5) any combination of the above. In arid or semiarid sections, (1) and (2) above shall be construed to cover water conservation and the beneficial use of water on individual farms, including measures to prevent run-off, the building of check dams and ponds, and providing facilities for applying water to the land. In determining the amount of any payment or grant measured by (1) or (2) the Secretary shall take into consideration the productivity of the land affected by the farming practices adopted during the year with respect to which such

Title I—Amend-  
ments to Soil Conser-  
vation and Domestic  
Allotment Act.Powers of Secretary  
under soil-conserva-  
tion program.

49 Stat. 1150; 50 Stat.

329.

16 U. S. C., Supp.

III, § 590h.

Post, p. 744.

Aid to agricultural  
producers, etc.Conditions govern-  
ing amounts.Arid or semiarid sec-  
tions, facilities for ap-  
plying water.Productivity of land  
to be considered.

Utilization of local,  
etc., committees.

Administrative  
areas; restriction.

Selection of local  
committees.

County committee,  
election, composition,  
etc.

Selection of secre-  
tary; eligibility of  
county agent.

State committee,  
composition, etc.

Ex officio members  
of State and county  
committees.

Protection of inter-  
ests of tenants and  
sharecroppers.

Producer-controlled  
cooperative associa-  
tions.

Power to acquire  
land, etc., denied.

Rules, etc., govern-  
ing payments.

Acreage allotments,  
apportionment.

Adjustments.

payment is made. In carrying out the provisions of this section in the continental United States, the Secretary is directed to utilize the services of local and State committees selected as hereinafter provided. The Secretary shall designate local administrative areas as units for administration of programs under this section. No such local area shall include more than one county or parts of different counties. Farmers within any such local administrative area, and participating or cooperating in programs administered within such area, shall elect annually from among their number a local committee of not more than three members for such area and shall also elect annually from among their number a delegate to a county convention for the election of a county committee. The delegates from the various local areas in the county shall, in a county convention, elect, annually, the county committee for the county which shall consist of three members who are farmers in the county. The local committee shall select a secretary and may utilize the county agricultural extension agent for such purpose. The county committee shall select a secretary who may be the county agricultural extension agent. If such county agricultural extension agent shall not have been elected secretary of such committee, he shall be ex officio a member of the county committee. The county agricultural extension agent shall not have the power to vote. In any county in which there is only one local committee the local committee shall also be the county committee. In each State there shall be a State committee for the State composed of not less than three or more than five farmers who are legal residents of the State and who are appointed by the Secretary. The State director of the Agricultural Extension Service shall be ex officio a member of such State committee. The ex officio members of the county and State committees shall be in addition to the number of members of such committees hereinbefore specified. The Secretary shall make such regulations as are necessary relating to the selection and exercise of the functions of the respective committees, and to the administration, through such committees, of such programs. In carrying out the provisions of this section, the Secretary—shall, as far as practicable, protect the interests of tenants and sharecroppers; is authorized to utilize the agricultural extension service and other approved agencies; shall accord such recognition and encouragement to producer-owned and producer-controlled cooperative associations as will be in harmony with the policy toward cooperative associations set forth in existing Acts of Congress and as will tend to promote efficient methods of marketing and distribution; shall not have power to acquire any land or any right or interest therein; shall, in every practicable manner, protect the interests of small producers; and shall in every practical way encourage and provide for soil-conserving and soil-rebuilding practices rather than the growing of soil-depleting crops. Rules and regulations governing payments or grants under this subsection shall be as simple and direct as possible, and, wherever practicable, they shall be classified on two bases: (a) Soil-depleting crops and practices, (b) soil-rebuilding crops and practices.

“(c) (1) In apportioning acreage allotments under this section in the case of wheat and corn, the National and State allotments and the allotments to counties shall be apportioned annually on the basis of the acreage seeded for the production of the commodity during the ten calendar years immediately preceding the calendar year in which the national acreage allotment is determined (plus, in applicable years, the acreage diverted under previous agricultural adjustment and conservation programs), with adjustments for abnormal weather conditions and trends in acreage during the applicable period.

"(2) In the case of wheat, the allotment to any county shall be apportioned annually by the Secretary, through the local committees, among the farms within such county on the basis of tillable acres, crop-rotation practices, type of soil, and topography. Not more than 3 per centum of such county allotment shall be apportioned to farms on which wheat has not been planted during any of the three marketing years immediately preceding the marketing year in which the allotment is made.

Wheat.

"(3) In the case of corn, the allotment to any county shall be apportioned annually by the Secretary, through the local committees, among the farms within such county on the basis of tillable acreage, type of soil, topography, and crop-rotation practices.

Corn.

"(4) Notwithstanding any other provision of this subsection, if, for any reason other than flood or drought, the acreage of wheat, cotton, corn, or rice planted on the farm is less than 80 per centum of the farm acreage allotment for such commodity for the purpose of payment, such farm acreage allotment shall be 25 per centum in excess of such planted acreage.

Acreage planted less than allotment.

"(5) In determining normal yield per acre on any farm under this section in the case of wheat or corn, the normal yield shall be the average yield per acre thereon for such commodity during the ten calendar years immediately preceding the calendar year in which such yield is determined, adjusted for abnormal weather conditions and trends in yields. If for any reason there is no actual yield, or the data therefor are not available for any year, then an appraised yield for such year, determined in accordance with regulations of the Secretary, shall be used. If, on account of drought, flood, insect pests, plant disease, or other uncontrollable natural cause, the yield in any year of such ten-year period is less than 75 per centum of the average (computed without regard to such year), such year shall be eliminated in calculating the normal yield per acre.

Wheat or corn, normal yield determination.  
*Post*, pp. 204, 205.

Appraisal, if no actual yield.

Yield less than 75 percent due to drought, etc.

"(d) Any payment or grant of aid made under subsection (b) shall be conditioned upon the utilization of the land, with respect to which such payment is made, in conformity with farming practices which the Secretary finds tend to effectuate any one or more of the purposes specified in clause (1), (2), (3), (4), or (5) of section 7 (a).

Payments conditioned upon conforming to prescribed practices.

"Any payment made under subsection (b) with respect to any farm (except for lands which the Secretary determines should not be utilized for the harvesting of crops but should be permanently used for grazing purposes only) shall, if the number of cows kept on such farm, and in the county in which such farm is located, for the production of milk or products thereof (for market), exceeds the normal number of such cows, be further conditioned upon the utilization of the land, with respect to which such payment is made, so that soil-building and soil-conserving crops planted or produced on an acreage equal to the land normally used for the production of soil-depleting crops but, as a condition of such payment, not permitted to be so used, shall be used for the purpose of building and conserving the fertility of the soil, or for the production of agricultural commodities to be consumed on the farm, and not for market. Whenever it is determined that a county, as a whole, is in substantial compliance with the provisions of this paragraph, no payment shall be denied any individual farmer in the county by reason of this paragraph; and no payment shall be denied a farmer by reason of this paragraph unless it has been determined that the farmer has not substantially complied with the provisions of this paragraph. Whenever the Secretary finds that by reason of drought, flood, or other disaster, a shortage of feed exists in any area, he shall so declare, and to the extent and for the period he finds

Permanent grazing lands.

Soil-building, etc., crops.

Payments where county complies with provisions.

Shortage of feed due to drought, etc.



Term "for market" defined.

Farm consumption excluded; term construed.

Investigations of adverse effects of programs on livestock, etc., producers.

necessary to relieve such shortage, the operation of the condition provided in this paragraph shall be suspended in such area and, if necessary to relieve such shortage, in other areas defined by him. As used in this paragraph, the term 'for market' means for disposition by sale, barter, or exchange, or by feeding (in any form) to dairy livestock which, or the products of which, are to be sold, bartered, or exchanged; and such term shall not include consumption on the farm. An agricultural commodity shall be deemed consumed on the farm if consumed by the farmer's family, employees, or household, or if fed to poultry or livestock other than dairy livestock on his farm; or if fed to dairy livestock on his farm and such dairy livestock, or the products thereof, are to be consumed by his family, employees, or household. Whenever the Secretary has reason to believe the income of producers of livestock (other than dairy cattle) or poultry in any area from such sources is being adversely affected by increases in the supply for market of such livestock or poultry, as the case may be, arising as a result of programs carried out under this Act, he shall make an investigation with respect to the existence of such facts. If, upon investigation, the Secretary finds that the income of producers of such livestock or poultry, as the case may be, in any area from any such source is being adversely affected by such increases, he shall, as soon as practicable, make such provisions in the administration of this Act with respect to the use of diverted acres as he may find necessary to protect the interests of producers of such livestock or poultry in the affected area."

Reductions and increases in payments under soil conservation program.

49 Stat. 1149; 50 Stat. 329.

16 U. S. C., Supp. III, § 590h.

Division of payments between landlords, tenants, etc.

Exceptions.

Direct payments.

Rates to permit setting aside funds to cover specified increases.

Ranges of increased payments.

#### REDUCTIONS AND INCREASES IN PAYMENTS UNDER SOIL CONSERVATION PROGRAM

SEC. 102. Section 8 of the Soil Conservation and Domestic Allotment Act, as amended, is further amended by adding a new subsection as follows:

"(e) Payments made by the Secretary to farmers under subsection (b) shall be divided among the landlords, tenants, and sharecroppers of any farm, with respect to which such payments are made, in the same proportion that such landlords, tenants, and sharecroppers are entitled to share in the proceeds of the agricultural commodity with respect to which such payments are made, except that payments based on soil-building or soil-conserving practices shall be divided in proportion to the extent which such landlords, tenants, and sharecroppers contribute to the carrying out of such practices. Such payments shall be paid by the Secretary directly to the landlords, tenants, or sharecroppers entitled thereto, and shall be computed at rates which will permit the Secretary to set aside out of the funds available for the making of such payments for each year an amount sufficient to permit the increases herein specified to be made within the limits of the funds so available. If with respect to any farm the total payment to any person for any year would be:

"(1) Not more than \$20, the payment shall be increased by 40 per centum;

"(2) More than \$20 but not more than \$40, the payment shall be increased by \$8, plus 20 per centum of the excess over \$20;

"(3) More than \$40 but not more than \$60, the payment shall be increased by \$12, plus 10 per centum of the excess over \$40;

"(4) More than \$60 but not more than \$186, the payment shall be increased by \$14; or

"(5) More than \$186 but less than \$200, the payment shall be increased to \$200.

In the case of payments of more than \$1, the amount of the payment which shall be used to calculate the 40-, 20-, and 10-per-centum increases under clauses (1), (2), and (3) shall not include that part, if any, of the payment which is a fraction of a dollar.

"Beginning with the calendar year 1939, no total payment for any year to any person under such subsection (b) shall exceed \$10,000. In the case of payments made to any individual, partnership, or estate on account of performance on farms in different States, Territories, or possessions, the \$10,000 limitation shall apply to the total of the payments for each State, Territory, or possession, for a year and not to the total of all such payments."

Maximum amount  
for any year.

#### TENANT PROVISIONS

SEC. 103. Section 8 of the Soil Conservation and Domestic Allotment Act, as amended, is further amended by adding the following new subsections:

"(f) Any change between the landlord and the tenants or sharecroppers, with respect to any farm, that would increase over the previous year the amount of payments or grants of other aid under subsection (b) that would otherwise be made to any landlord shall not operate to increase such payment or grant to such landlord. Any reduction in the number of tenants below the average number of tenants on any farm during the preceding three years that would increase the payments or grants of other aid under such subsection that would otherwise be made to the landlord shall not hereafter operate to increase any such payment or grant to such landlord. Such limitations shall apply only if the county committee finds that the change or reduction is not justified and disapproves such change or reduction.

Tenant provisions.

49 Stat. 1149; 50 Stat.  
329.  
16 U. S. C., Supp.  
III, § 590h.

Change in relation-  
ship between landlord  
and tenants, etc.

Reduction in num-  
ber of tenants below  
average.

Finding by county  
committee.

"(g) A payment which may be made to a farmer under this section, may be assigned, without discount, by him in writing as security for cash or advances to finance making a crop. Such assignment shall be acknowledged by the farmer before the county agricultural extension agent and filed with such agent. The farmer shall file with such county agricultural extension agent an affidavit stating that the assignment is not made to pay or secure any pre-existing indebtedness. This provision shall not authorize any suit against or impose any liability upon the Secretary or any disbursing agent if payment to the farmer is made without regard to the existence of any such assignment."

Assignment of pay-  
ment.  
*Post*, p. 206.

No liability  
imposed.

#### APPORTIONMENT OF FUNDS

SEC. 104. Section 15 of the Soil Conservation and Domestic Allotment Act, as amended, is amended by inserting at the end thereof the following new paragraph:

"The funds available for payments (after allowing for estimated administrative expenses, and not to exceed 5 per centum for payments with respect to range lands, noncrop pasture lands, and naval stores) shall be allocated among the commodities produced with respect to which payments or grants are to be computed. In allocating funds among the commodities the Secretary shall take into consideration and give equal weight to (1) the average acreages planted to the various commodities (including rotation pasture), for the ten years 1928 to 1937, adjusted for abnormal weather and other conditions, including acreage diverted from production under the agricultural adjustment and soil conservation programs; (2) the value at parity prices of the production from the allotted acreages of the various commodities for the year with respect to which the payment

Apportionment of  
funds.

49 Stat. 1151.  
16 U. S. C., Supp.  
III, § 590o.

Allocation of funds  
available for pay-  
ments.  
*Post*, pp. 744, 819.

Basis of apportion-  
ment.

is made; (3) the average acreage planted to the various commodities during the ten years 1928 to 1937, including the acreage diverted from production under the agricultural adjustment and soil conservation programs, in excess of the allotted acreage for the year with respect to which the payment is made; and (4) the value based on average prices for the preceding ten years of the production of the excess acreage determined under item (3). The rate of payment used in making payments to the producers of each commodity shall be such that the estimated payments with respect to such commodity shall equal the amount of funds allocated to such commodity as herein provided. For the purpose of allocating funds and computing payments or grants the Secretary is authorized to consider as a commodity a group of commodities or a regional or market classification of a commodity. For the purpose of computing payments or grants, the Secretary is authorized to use funds allocated to two or more commodities produced on farms of a designated regional or other classification to compute payments with respect to one of such commodities on such farms, and to use funds, in an amount equal to the estimated payments which would be made in any county, for making payments pursuant to a special program under section 8 approved by the Secretary for such county: *Provided*, That farm acreage allotments shall be made for wheat in 1938, but in determining compliance wheat shall be considered in the group with other crops for which special acreage allotments are not made."

#### EFFECTIVE TIME OF SECTIONS 101, 102, 103, AND 104

Effective time of sections 101-104.  
*Post*, p. 202.

SEC. 105. The amendments made by sections 101, 102, 103, and 104 shall first be effective with respect to farming operations carried out in the calendar year 1938. Nothing contained herein shall require reconstituting, for 1938, any county or other local committee which has been constituted prior to February 1, 1938.

Title II—Adjustment in freight rates, new uses and markets, and disposition of surpluses.

### TITLE II—ADJUSTMENT IN FREIGHT RATES, NEW USES AND MARKETS, AND DISPOSITION OF SURPLUSES

#### ADJUSTMENTS IN FREIGHT RATES FOR FARM PRODUCTS

Transportation of farm products, complaints as to rates, charges, practices, etc., to Interstate Commerce Commission.

Secretary a party to proceeding if complaint affects public interest.

Liability of Secretary.

Use of facilities of Department of Agriculture.

SEC. 201. (a) The Secretary of Agriculture is authorized to make complaint to the Interstate Commerce Commission with respect to rates, charges, tariffs, and practices relating to the transportation of farm products, and to prosecute the same before the Commission. Before hearing or disposing of any complaint (filed by any person other than the Secretary) with respect to rates, charges, tariffs, and practices relating to the transportation of farm products, the Commission shall cause the Secretary to be notified, and, upon application by the Secretary, shall permit the Secretary to appear and be heard.

(b) If such rate, charge, tariff, or practice complained of is one affecting the public interest, upon application by the Secretary, the Commission shall make the Secretary a party to the proceeding. In such case the Secretary shall have the rights of a party before the Commission and the rights of a party to invoke and pursue original and appellate judicial proceedings involving the Commission's determination. The liability of the Secretary in any such case shall extend only to liability for court costs.

(c) For the purposes of this section, the Interstate Commerce Commission is authorized to avail itself of the cooperation, records, services, and facilities of the Department of Agriculture.

(d) The Secretary is authorized to cooperate with and assist cooperative associations of farmers making complaint to the Interstate Commerce Commission with respect to rates, charges, tariffs, and practices relating to the transportation of farm products.

Assistance to cooperative associations of farmers making complaint.

#### NEW USES AND NEW MARKETS FOR FARM COMMODITIES

SEC. 202. (a) The Secretary is hereby authorized and directed to establish, equip, and maintain four regional research laboratories, one in each major farm producing area, and, at such laboratories, to conduct researches into and to develop new scientific, chemical, and technical uses and new and extended markets and outlets for farm commodities and products and byproducts thereof. Such research and development shall be devoted primarily to those farm commodities in which there are regular or seasonal surpluses, and their products and byproducts.

New uses and new markets for farm commodities.

Regional research laboratories, establishment, etc.  
*Post*, p. 745.

(b) For the purposes of subsection (a), the Secretary is authorized to acquire land and interests therein, and to accept in the name of the United States donations of any property, real or personal, to any laboratory established pursuant to this section, and to utilize voluntary or uncompensated services at such laboratories. Donations to any one of such laboratories shall not be available for use by any other of such laboratories.

Real or personal property, acquisitions.

Donations.

(c) In carrying out the purposes of subsection (a), the Secretary is authorized and directed to cooperate with other departments or agencies of the Federal Government, States, State agricultural experiment stations, and other State agencies and institutions, counties, municipalities, business or other organizations, corporations, associations, universities, scientific societies, and individuals, upon such terms and conditions as he may prescribe.

Cooperation with other agencies, etc.; terms and conditions.

(d) To carry out the purposes of subsection (a), the Secretary is authorized to utilize in each fiscal year, beginning with the fiscal year beginning July 1, 1938, a sum not to exceed \$4,000,000 of the funds appropriated pursuant to section 391 of this Act, or section 15 of the Soil Conservation and Domestic Allotment Act, as amended, for such fiscal year. The Secretary shall allocate one-fourth of such sum annually to each of the four laboratories established pursuant to this section.

Sums authorized.

*Post*, pp. 69, 744; 49 Stat. 1151.

Annual allocation to each laboratory.

(e) The Secretary shall make a report to Congress at the beginning of each regular session of the activities of, expenditures by, and donations to the laboratories established pursuant to subsection (a).

Report to Congress.

(f) There is hereby allocated to the Secretary of Commerce for each fiscal year, beginning with the fiscal year beginning July 1, 1938, out of funds appropriated for such fiscal year pursuant to section 391 of this Act, or section 15 of the Soil Conservation and Domestic Allotment Act, as amended, the sum of \$1,000,000 to be expended for the promotion of the sale of farm commodities and products thereof in such manner as he shall direct. Of the sum allocated under this subsection to the Secretary of Commerce for the fiscal year beginning July 1, 1938, \$100,000 shall be devoted to making a survey and investigation of the cause or causes of the reduction in exports of agricultural commodities from the United States, in order to ascertain methods by which the sales in foreign countries of basic agricultural commodities produced in the United States may be increased.

Promotion of sale of farm commodities, etc.  
*Post*, p. 745.

*Post*, p. 69; 49 Stat. 1151.

Survey of causes of reduction in exports of American agricultural commodities.

(g) It shall be the duty of the Secretary to use available funds to stimulate and widen the use of all farm commodities in the United States and to increase in every practical way the flow of such commodities and the products thereof into the markets of the world.

Use of funds for stimulating, etc., use of farm commodities.

Exportation of un-  
manufactured cotton.  
49 Stat. 775.  
7 U. S. C., Supp. III,  
§ 612c.

Allocation to any  
one commodity lim-  
ited.

Federal Surplus  
Commodities Corpo-  
ration.  
Continuation until  
June 30, 1942.  
50 Stat. 323.  
7 U. S. C., Supp.  
III, § 612c.

Report to Congress.

Title III—Loans,  
parity payments, etc.

Subtitle A—Defini-  
tions, etc.

Definitions.

"Parity", as applied  
to prices for any agri-  
cultural commodity.

Base period.

"Parity", as applied  
to income.

"Interstate and for-  
eign commerce."

SEC. 203. Section 32, as amended, of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes", approved August 24, 1935, is amended by striking out "*: Provided further, That no part of the funds appropriated by this section shall be used for the payment of benefits in connection with the exportation of unmanufactured<sup>1</sup> cotton*", and is further amended by adding at the end thereof the following: "Notwithstanding any other provision of this section, the amount that may be devoted, during any fiscal year after June 30, 1939, to any one agricultural commodity or the products thereof in such fiscal year, shall not exceed 25 per centum of the funds available under this section for such fiscal year."

#### CONTINUATION OF FEDERAL SURPLUS COMMODITIES CORPORATION

SEC. 204. The Act entitled "An Act to extend the time for purchase and distribution of surplus agricultural commodities for relief purposes and to continue the Federal Surplus Commodities Corporation", approved June 28, 1937 (Public, Numbered 165, Seventy-fifth Congress), is amended by striking out "continued, until June 30, 1939," and inserting in lieu thereof "continued, until June 30, 1942,". The Federal Surplus Commodities Corporation shall submit to Congress on the first day of each regular session an annual report setting forth a statement of the activities, receipts, and expenditures of the Corporation during the previous fiscal year.

### TITLE III—LOANS, PARITY PAYMENTS, CONSUMER SAFEGUARDS, AND MARKETING QUOTAS

#### SUBTITLE A—DEFINITIONS, LOANS, PARITY PAYMENTS, AND CONSUMER SAFEGUARDS

##### DEFINITIONS

SEC. 301. (a) GENERAL DEFINITIONS.—For the purposes of this title and the declaration of policy—

(1) "Parity", as applied to prices for any agricultural commodity, shall be that price for the commodity which will give to the commodity a purchasing power with respect to articles that farmers buy equivalent to the purchasing power of such commodity in the base period; and, in the case of all commodities for which the base period is the period August 1909 to July 1914, which will also reflect current interest payments per acre on farm indebtedness secured by real estate, tax payments per acre on farm real estate, and freight rates, as contrasted with such interest payments, tax payments, and freight rates during the base period. The base period in the case of all agricultural commodities except tobacco shall be the period August 1909 to July 1914, and, in the case of tobacco, shall be the period August 1919 to July 1929.

(2) "Parity", as applied to income, shall be that per capita net income of individuals on farms from farming operations that bears to the per capita net income of individuals not on farms the same relation as prevailed during the period from August 1909 to July 1914.

(3) The term "interstate and foreign commerce" means sale, marketing, trade, and traffic between any State or Territory or the District of Columbia or Puerto Rico, and any place outside thereof; or between points within the same State or Territory or within the District of Columbia or Puerto Rico, through any place outside thereof; or within any Territory or within the District of Columbia or Puerto Rico.

<sup>1</sup> So in original.

(4) The term "affect interstate and foreign commerce" means, among other things, in such commerce, or to burden or obstruct such commerce or the free and orderly flow thereof; or to create or tend to create a surplus of any agricultural commodity which burdens or obstructs such commerce or the free and orderly flow thereof.

"Affect interstate and foreign commerce."

(5) The term "United States" means the several States and Territories and the District of Columbia and Puerto Rico.

"United States."

(6) The term "State" includes a Territory and the District of Columbia and Puerto Rico.

"State."

(7) The term "Secretary" means the Secretary of Agriculture, and the term "Department" means the Department of Agriculture.

"Secretary"; "Department."

(8) The term "person" means an individual, partnership, firm, joint-stock company, corporation, association, trust, estate, or any agency of a State.

"Person."

(9) The term "corn" means field corn.

"Corn."

(b) DEFINITIONS APPLICABLE TO ONE OR MORE COMMODITIES.—For the purposes of this title—

Definitions applicable to one or more commodities.

(1) (A) "Actual production" as applied to any acreage of corn means the number of bushels of corn which the local committee determines would be harvested as grain from such acreage if all the corn on such acreage were so harvested. In case of a disagreement between the farmer and the local committee as to the actual production of the acreage of corn on the farm, or in case the local committee determines that such actual production is substantially below normal, the local committee, in accordance with regulations of the Secretary, shall weigh representative samples of ear corn taken from the acreage involved, make proper deductions for moisture content, and determine the actual production of such acreage on the basis of such samples.

"Actual production" as applied to any acreage of corn.

(B) "Actual production" of any number of acres of cotton on a farm means the actual average yield for the farm times such number of acres.

"Actual production" of any number of acres of cotton on a farm.

(2) "Bushel" means in the case of ear corn that amount of ear corn, including not to exceed 15½ per centum of moisture content, which weighs seventy pounds, and in the case of shelled corn, means that amount of shelled corn including not to exceed 15½ per centum of moisture content, which weighs fifty-six pounds.

"Bushel", ear and shelled corn.

(3) (A) "Carry-over", in the case of corn and rice, for any marketing year shall be the quantity of the commodity on hand in the United States at the beginning of such marketing year, which was produced in the United States prior to the beginning of the calendar year then current.

"Carry-over", in the case of corn and rice.

(B) "Carry-over" of cotton for any marketing year shall be the quantity of cotton on hand either within or without the United States at the beginning of such marketing year, which was produced in the United States prior to the beginning of the calendar year then current.

Cotton.

(C) "Carry-over" of tobacco for any marketing year shall be the quantity of such tobacco on hand in the United States at the beginning of such marketing year, which was produced in the United States prior to the beginning of the calendar year then current, except that in the case of cigar-filler and cigar-binder tobacco the quantity of type 46 on hand and theretofore produced in the United States during such calendar year shall also be included.

Tobacco.

(D) "Carry-over" of wheat, for any marketing year shall be the quantity of wheat on hand in the United States at the beginning of such marketing year, not including any wheat which was produced in the United States during the calendar year then current, and not including any wheat held by the Federal Crop Insurance Corporation under Title V.

Wheat.

Post, p. 72.

"Commercial corn-producing area"; counties included.

(4) (A) "Commercial corn-producing area" shall include all counties in which the average production of corn (excluding corn used as silage) during the ten calendar years immediately preceding the calendar year for which such area is determined, after adjustment for abnormal weather conditions, is four hundred and fifty bushels or more per farm and four bushels or more for each acre of farm land in the county.

Counties bordering area producing prescribed average.

(B) Whenever prior to February 1 of any calendar year the Secretary has reason to believe that any county which is not included in the commercial corn-producing area determined pursuant to the provisions of subparagraph (A), but which borders upon one of the counties in such area, or that any minor civil division in a county bordering on such area, is producing (excluding corn used for silage) an average of at least four hundred and fifty bushels of corn per farm and an average of at least four bushels for each acre of farm land in the county or in the minor civil division, as the case may be, he shall cause immediate investigation to be made to determine such fact. If, upon the basis of such investigation, the Secretary finds that such county or minor civil division is likely to produce corn in such average amounts during such calendar year, he shall proclaim such determination, and, commencing with such calendar year, such county shall be included in the commercial corn-producing area. In the case of a county included in the commercial corn-producing area pursuant to this subparagraph, whenever prior to February 1 of any calendar year the Secretary has reason to believe that facts justifying the inclusion of such county are not likely to exist in such calendar year, he shall cause an immediate investigation to be made with respect thereto. If, upon the basis of such investigation, the Secretary finds that such facts are not likely to exist in such calendar year, he shall proclaim such determination, and commencing with such calendar year, such county shall be excluded from the commercial corn-producing area.

Exclusion from area, investigation.

"Farm consumption" of corn.

(5) "Farm consumption" of corn means consumption by the farmer's family, employees, or household, or by his work stock; or consumption by poultry or livestock on his farm if such poultry or livestock, or the products thereof, are consumed or to be consumed by the farmer's family, employees, or household.

"Market", in the case of cotton, wheat, and tobacco.

(6) (A) "Market", in the case of cotton, wheat, and tobacco, means to dispose of by sale, barter, or exchange, but, in the case of wheat, does not include disposing of wheat as premium to the Federal Crop Insurance Corporation under Title V.

Post, p. 72.

Corn.

(B) "Market", in the case of corn, means to dispose of by sale, barter, or exchange, or by feeding (in any form) to poultry or livestock which, or the products of which, are sold, bartered, or exchanged, or to be so disposed of.

Rice.

(C) "Market", in the case of rice, means to dispose of by sale, barter, or exchange of rice used or to be used for human consumption.

"Marketed", "marketing", and "for market."

(D) "Marketed", "marketing", and "for market" shall have corresponding meanings to the term "market" in the connection in which they are used.

"Marketing year", in the case of specified commodities.

(7) "Marketing year" means, in the case of the following commodities, the period beginning on the first and ending with the second date specified below:

Corn, October 1–September 30;

Cotton, August 1–July 31;

Rice, August 1–July 31;

Tobacco (flue-cured), July 1–June 30;

Tobacco (other than flue-cured), October 1–September 30;

Wheat, July 1–June 30.

(8) "National average yield" as applied to cotton or wheat shall be the national average yield per acre of the commodity during the ten calendar years in the case of wheat, and during the five calendar years in the case of cotton, preceding the year in which such national average yield is used in any computation authorized in this title, adjusted for abnormal weather conditions and, in the case of wheat, but not in the case of cotton, for trends in yields.

"National average yield" as applied to cotton or wheat.

(9) "Normal production" as applied to any number of acres of corn, cotton, or wheat means the normal yield for the farm times such number of acres.

"Normal production" as applied to corn, cotton, or wheat.

(10) (A) "Normal supply" in the case of corn, cotton, rice, and wheat shall be a normal year's domestic consumption and exports of the commodity, plus 7 per centum in the case of corn, 40 per centum in the case of cotton, 10 per centum in the case of rice, and 15 per centum in the case of wheat, of a normal year's domestic consumption and exports, as an allowance for a normal carry-over.

"Normal supply" in the case of corn, cotton, rice, and wheat.

(B) The "normal supply" of tobacco shall be a normal year's domestic consumption and exports plus 175 per centum of a normal year's domestic consumption and 65 per centum of a normal year's exports as an allowance for a normal carry-over.

Tobacco.

(11) (A) "Normal year's domestic consumption", in the case of corn and wheat, shall be the yearly average quantity of the commodity, whenever produced, that was consumed<sup>1</sup> in the United States during the ten marketing years immediately preceding the marketing year in which such consumption is determined, adjusted for current trends in such consumption.

"Normal year's domestic consumption" in the case of corn and wheat.

(B) "Normal year's domestic consumption", in the case of cotton and tobacco, shall be the yearly average quantity of the commodity produced in the United States that was consumed in the United States during the ten marketing years immediately preceding the marketing year in which such consumption is determined, adjusted for current trends in such consumption.

Cotton and tobacco.

(C) "Normal year's domestic consumption", in the case of rice, shall be the yearly average quantity of rice produced in the United States that was consumed in the United States during the five marketing years immediately preceding the marketing year in which such consumption is determined, adjusted for current trends in such consumption.

Rice.

(12) "Normal year's exports" in the case of corn, cotton, rice, tobacco, and wheat shall be the yearly average quantity of the commodity produced in the United States that was exported from the United States during the ten marketing years (or, in the case of rice, the five marketing years) immediately preceding the marketing year in which such exports are determined, adjusted for current trends in such exports.

"Normal year's exports" in the case of corn, cotton, rice, tobacco, and wheat.

(13) (A) "Normal yield" for any farm, in the case of corn, shall be the average yield per acre of corn for the farm during the ten calendar years immediately preceding the year in which such normal yield is used in computing any farm marketing quota or adjustment thereof, adjusted for abnormal weather conditions and trends in yields.

"Normal yield" for any farm in the case of corn.  
*Post*, p. 232.

(B) "Normal yield" for any farm, in the case of wheat or cotton, shall be the average yield per acre of wheat or cotton for the farm, adjusted for abnormal weather conditions, and, in the case of wheat but not in the case of cotton, for trends in yields, during the ten calendar years in the case of wheat, and five calendar years in the

Wheat or cotton.  
*Post*, p. 232.

<sup>1</sup> So in original.



case of cotton, immediately preceding the year with respect to which such normal yield is used in any computation authorized under this title.

Appraisal in absence  
of available data.

Drought, flood, etc.

"Normal yield" per  
acre of rice.

*Post*, p. 202.

"Reserve supply  
level" in the case of  
corn.

Tobacco.

"Tobacco" defined.

"Total supply" of  
corn, cotton, rice, and  
wheat.

Tobacco.

(C) In applying subparagraph (A) or (B), if for any such year the data are not available, or there is no actual yield, an appraised yield for such year, determined in accordance with regulations issued by the Secretary, shall be used as the actual yield for such year. In applying such subparagraphs, if, on account of drought, flood, insect pests, plant disease, or other uncontrollable natural cause, the yield in any year of such ten-year period or five-year period, as the case may be, is less than 75 per centum of the average (computed without regard to such year) such year shall be eliminated in calculating the normal yield per acre.

(D) "Normal yield" per acre of rice for any land planted to rice in any year shall be the average yield per acre thereof during the five calendar years immediately preceding the calendar year for which such normal yield is determined. If, for any reason, there is no actual yield or the data therefor are not available for any year, then an appraised yield for such year, determined in accordance with the regulations of the Secretary, shall be used. If the average of the normal yields for all lands planted to rice in any year in the State (weighted by the acreage allotments therein) exceeds the average yield per acre for the State during the period used in determining normal yields, the normal yields for such lands in the State shall be reduced pro rata so that the average of such normal yields shall not exceed such State average yield.

(14) (A) "Reserve supply level", in the case of corn, shall be a normal year's domestic consumption and exports of corn plus 10 per centum of a normal year's domestic consumption and exports, to insure a supply adequate to meet domestic consumption and export needs in years of drought, flood, or other adverse conditions, as well as in years of plenty.

(B) "Reserve supply level" of tobacco shall be the normal supply plus 5 per centum thereof, to insure a supply adequate to meet domestic consumption and export needs in years of drought, flood, or other adverse conditions, as well as in years of plenty.

(15) "Tobacco" means each one of the kinds of tobacco listed below comprising the types specified as classified in Service and Regulatory Announcement Numbered 118 of the Bureau of Agricultural Economics of the Department:

Flue-cured tobacco, comprising types 11, 12, 13, and 14;

Fire-cured and dark air-cured tobacco, comprising types 21, 22, 23, 24, 35, 36, and 37;

Burley tobacco, comprising type 31;

Maryland tobacco, comprising type 32;

Cigar-filler and cigar-binder tobacco, comprising types 42, 43, 44, 45, 46, 51, 52, 53, 54, and 55;

Cigar-filler tobacco, comprising type 41.

The provisions of this title shall apply to each of such kinds of tobacco severally.

(16) (A) "Total supply" of corn, cotton, rice, and wheat for any marketing year shall be the carry-over of the commodity for such marketing year plus the estimated production of the commodity in the United States during the calendar year in which such marketing year begins.

(B) "Total supply" of tobacco for any marketing year shall be the carry-over at the beginning of such marketing year plus the estimated production thereof in the United States during the calendar year in which such marketing year begins, except that the

estimated production of type 46 tobacco during the marketing year with respect to which the determination is being made shall be used in lieu of the estimated production of such type during the calendar year in which such marketing year begins in determining the total supply of cigar-filler and cigar-binder tobacco.

(c) The latest available statistics of the Federal Government shall be used by the Secretary in making the determinations required to be made by the Secretary under this Act.

Latest statistics to be used in making determinations.

#### LOANS ON AGRICULTURAL COMMODITIES

Loans on agricultural commodities.

SEC. 302. (a) The Commodity Credit Corporation is authorized, upon recommendation of the Secretary and with the approval of the President, to make available loans on agricultural commodities (including dairy products). Except as otherwise provided in this section, the amount, terms, and conditions of such loans shall be fixed by the Secretary, subject to the approval of the Corporation and the President.

Authority of Commodity Credit Corporation.

Amount, terms, and conditions.

(b) The Corporation is directed to make available to cooperators loans upon wheat during any marketing year beginning in a calendar year in which the farm price of wheat on June 15 is below 52 per centum of the parity price on such date, or the July crop estimate for wheat is in excess of a normal year's domestic consumption and exports, at rates not less than 52 per centum and not more than 75 per centum of the parity price of wheat at the beginning of the marketing year. In case marketing quotas for wheat are in effect in any marketing year, the Corporation is directed to make available, during such marketing year, to noncooperators, loans upon wheat at 60 per centum of the rate applicable to cooperators. A loan on wheat to a noncooperator shall be made only on so much of his wheat as would be subject to penalty if marketed.

Loans upon wheat if price below 52 per centum of parity price. *Post*, p. 820.

If July estimate is in excess of normal year's domestic consumption and exports.

Loans to noncooperators.

Limitation.

(c) The Corporation is directed to make available to cooperators loans upon cotton during any marketing year beginning in a calendar year in which the average price on August 1 of seven-eighths Middling spot cotton on the ten markets designated by the Secretary is below 52 per centum of the parity price of cotton on such date, or the August crop estimate for cotton is in excess of a normal year's domestic consumption and exports, at rates not less than 52 per centum and not more than 75 per centum of the parity price of cotton as of the beginning of the marketing year. In case marketing quotas for cotton are in effect in any marketing year, the Corporation is directed to make available, during such marketing year, to noncooperators, loans upon cotton at 60 per centum of the rate applicable to cooperators. A loan on cotton to a noncooperator shall be made only on so much of his cotton as would be subject to penalty if marketed.

Loans upon cotton, when made.

Loans to noncooperators.

Limitation.

(d) The Corporation is directed to make available loans upon corn during any marketing year beginning in the calendar year in which the November crop estimate for corn is in excess of a normal year's domestic consumption and exports, or in any marketing year when on November 15 the farm price of corn is below 75 per centum of the parity price, at the following rates:

Loans upon corn, when made. *Post*, p. 820.

Rates.

75 per centum of such parity price if such estimate does not exceed a normal year's consumption and exports and the farm price of corn is below 75 per centum of the parity price on November 15;

70 per centum of such parity price if such estimate exceeds a normal year's domestic consumption and exports by not more than 10 per centum;

65 per centum of such parity price if such estimate exceeds a normal year's domestic consumption and exports by more than 10 per centum and not more than 15 per centum;

60 per centum of such parity price if such estimate exceeds a normal year's domestic consumption and exports by more than 15 per centum and not more than 20 per centum;

55 per centum of such parity price if such estimate exceeds a normal year's domestic consumption and exports by more than 20 per centum and not more than 25 per centum;

52 per centum of such parity price if such estimate exceeds a normal year's domestic consumption and exports by more than 25 per centum.

Loans to cooperators and noncooperators within prescribed area.

Loans shall be made to cooperators in the commercial corn-producing area at the applicable rate of the above schedule. Loans shall be made to noncooperators within such commercial corn-producing area but only during a marketing year in which farm marketing quotas are in effect and only on corn stored under seal pursuant to section 324, and the rate of such loans shall be 60 per centum of the applicable rate under the above schedule. Loans shall be made to cooperators outside such commercial corn-producing area, and the rate of such loans shall be 75 per centum of the applicable rate under the above schedule.

Loans to cooperators outside prescribed area.

Modification of rates.

(e) The rates of loans under subsections (b), (c), and (d) on wheat, cotton, and corn not of standard grade, type, staple, or quality shall be increased or decreased in relation to the rates above provided by such amounts as the Secretary prescribes as properly reflecting differences from standard in grade, type, staple, and quality.

Cooperators, provisions governing.

(f) For the purposes of subsections (b), (c), and (d), a cooperator shall be a producer on whose farm the acreage planted to the commodity for the crop with respect to which the loan is made does not exceed the farm acreage allotment for the commodity under this title, or, in the case of loans upon corn to a producer outside the commercial corn-producing area, a producer on whose farm the acreage planted to soil-depleting crops does not exceed the farm acreage allotment for soil-depleting crops for the year in which the loan is made under the Soil Conservation and Domestic Allotment Act, as amended. For the purposes of this subsection a producer shall not be deemed to have exceeded his farm acreage allotment unless such producer knowingly exceeded his farm acreage allotment.

Producer innocently exceeding his allotment.

Adverse referendum on marketing quotas; loan restriction.

(g) Notwithstanding any other provision of this section, if the farmers producing cotton, wheat, corn, or rice indicate by vote in a referendum carried out pursuant to the provisions of this title that marketing quotas with respect to such commodity are opposed by more than one-third of the farmers voting in such referendum, no loan shall be made pursuant to this section with respect to the commodity during the period from the date on which the results of the referendum are proclaimed by the Secretary until the beginning of the second succeeding<sup>1</sup> marketing year for such commodity. This subsection shall not limit the availability or renewal of any loan previously made.

Personal liability for deficiencies arising from sale of collateral, etc.

(h) No producer shall be personally liable for any deficiency arising from the sale of the collateral securing any loan under this section unless such loan was obtained through fraudulent representations by the producer.

Facilities and personnel.

(i) In carrying out this section the Corporation is directed, with the consent of the Secretary, to utilize the services, facilities, and personnel of the Department.

<sup>1</sup> So in original.

## PARITY PAYMENTS

SEC. 303. If and when appropriations are made therefor, the Secretary is authorized and directed to make payments to producers of corn, wheat, cotton, rice, or tobacco, on their normal production of such commodities in amounts which, together with the proceeds thereof, will provide a return to such producers which is as nearly equal to parity price as the funds so made available will permit. All funds available for such payments with respect to these commodities shall, unless otherwise provided by law, be apportioned to these commodities in proportion to the amount by which each fails to reach the parity income. Such payments shall be in addition to and not in substitution for any other payments authorized by law.

Parity payments on normal production.  
*Post*, p. 819.

Apportionment of funds.

## CONSUMER SAFEGUARDS

SEC. 304. The powers conferred under this Act shall not be used to discourage the production of supplies of foods and fibers sufficient to maintain normal domestic human consumption as determined by the Secretary from the records of domestic human consumption in the years 1920 to 1929, inclusive, taking into consideration increased population, quantities of any commodity that were forced into domestic consumption by decline in exports during such period, current trends in domestic consumption and exports of particular commodities, and the quantities of substitutes available for domestic consumption within any general class of food commodities. In carrying out the purposes of this Act it shall be the duty of the Secretary to give due regard to the maintenance of a continuous and stable supply of agricultural commodities from domestic production adequate to meet consumer demand at prices fair to both producers and consumers.

Consumer safeguards.

Production sufficient to maintain normal domestic human consumption.

Continuous supply adequate to meet consumer demand.

## SUBTITLE B—MARKETING QUOTAS

## PART I—MARKETING QUOTAS—TOBACCO

## LEGISLATIVE FINDING

SEC. 311 (a) The marketing of tobacco constitutes one of the great basic industries of the United States with ramifying activities which directly affect interstate and foreign commerce at every point, and stable conditions therein are necessary to the general welfare. Tobacco produced for market is sold on a Nation-wide market and, with its products, moves almost wholly in interstate and foreign commerce from the producer to the ultimate consumer. The farmers producing such commodity are subject in their operations to uncontrollable natural causes, are widely scattered throughout the Nation, in many cases such farmers carry on their farming operations on borrowed money or leased lands, and are not so situated as to be able to organize effectively, as can labor and industry through unions and corporations enjoying Government protection and sanction. For these reasons, among others, the farmers are unable without Federal assistance to control effectively the orderly marketing of such commodity with the result that abnormally excessive supplies thereof are produced and dumped indiscriminately on the Nation-wide market.

(b) The disorderly marketing of such abnormally excessive supplies affects, burdens, and obstructs interstate and foreign commerce by (1) materially affecting the volume of such commodity marketed therein, (2) disrupting the orderly marketing of such commodity therein, (3) reducing the price for such commodity with consequent injury and destruction of interstate and foreign commerce in such

Subtitle B—Marketing quotas.

Part I—Tobacco.

Legislative finding.

commodity, and (4) causing a disparity between the prices for such commodity in interstate and foreign commerce and industrial products therein, with a consequent diminution of the volume of interstate and foreign commerce in industrial products.

(c) Whenever an abnormally excessive supply of tobacco exists, the marketing of such commodity by the producers thereof directly and substantially affects interstate and foreign commerce in such commodity and its products, and the operation of the provisions of this Part becomes necessary and appropriate in order to promote, foster, and maintain an orderly flow of such supply in interstate and foreign commerce.

National marketing  
quota.

Proclamation by  
Secretary when sup-  
ply exceeds reserve  
supply level.

*Post*, p. 205.

Date quota effec-  
tive.

Amount.

Date of procla-  
mation.

Burley tobacco, and  
fire-cured and dark  
air-cured tobacco,  
marketing quota.

Amount.

Effective date of  
subsection.

Referendum.

Effect of vote.

#### NATIONAL MARKETING QUOTA

SEC. 312. (a) Whenever, on the 15th day of November of any calendar year, the Secretary finds that the total supply of tobacco as of the beginning of the marketing year then current exceeds the reserve supply level therefor, the Secretary shall proclaim the amount of such total supply, and, beginning on the first day of the marketing year next following and continuing throughout such year, a national marketing quota shall be in effect for the tobacco marketed during such marketing year. The Secretary shall also determine and specify in such proclamation the amount of the national marketing quota in terms of the total quantity of tobacco which may be marketed, which will make available during such marketing year a supply of tobacco equal to the reserve supply level. Such proclamation shall be made not later than the 1st day of December in such year.

(b) Whenever in the case of burley tobacco, and fire-cured and dark air-cured tobacco, respectively, the total supply proclaimed pursuant to the provisions of subsection (a) of this section exceeds the reserve supply level by more than 5 per centum and a national marketing quota is not in effect for such tobacco during the marketing year then current, a national marketing quota shall also be in effect for such tobacco marketed during the period from the date of such proclamation to the end of such current marketing year, and the Secretary shall determine and shall specify in such proclamation the amount of such national marketing quota in terms of the total quantity which may be marketed, which will make available during such current marketing year a supply of tobacco equal to the reserve supply level. The provisions of this subsection shall not be effective prior to the beginning of the marketing year beginning in the calendar year 1938.

(c) Within thirty days after the date of the issuance of the proclamation specified in subsection (a) of this section, the Secretary shall conduct a referendum of farmers who were engaged in production of the crop of tobacco harvested prior to the holding of the referendum to determine whether such farmers are in favor of or opposed to such quota. If in the case of burley tobacco, or fire-cured and dark air-cured tobacco, respectively, farmers would be subject to a national quota for the next succeeding marketing year pursuant to the provisions of subsection (a) of this section, and also to a national marketing quota for the current marketing year pursuant to the provisions of subsection (b) of this section, the referendum shall provide for voting with respect to each such quota. If more than one-third of the farmers voting in the referendum oppose such quota, the Secretary shall, prior to the 1st day of January, proclaim the result of the referendum and such quota shall not be effective thereafter.

(d) In connection with the determination and proclamation of any marketing quota for the 1938-1939 marketing year, the determination by the Secretary pursuant to subsection (a) of this section shall be made and proclaimed within fifteen days following the date of the enactment of this Act, and the proclamation of the Secretary pursuant to subsection (c) of this section shall be made within forty-five days following the date of the enactment of this Act.

(e) Marketing quotas shall not be in effect with respect to cigar-filler tobacco comprising type 41 during the marketing year beginning in 1938 or the marketing year beginning in 1939.

#### APPORTIONMENT OF NATIONAL MARKETING QUOTA

SEC. 313. (a) The national marketing quota for tobacco established pursuant to the provisions of section 312, less the amount to be allotted under subsection (c) of this section, shall be apportioned by the Secretary among the several States on the basis of the total production of tobacco in each State during the five calendar years immediately preceding the calendar year in which the quota is proclaimed (plus, in applicable years, the normal production on the net acreage diverted under previous agricultural adjustment and conservation programs), with such adjustments as are determined to be necessary to make correction for abnormal conditions of production, for small farms, and for trends in production, giving due consideration to seed bed and other plant diseases during such five-year period: *Provided, however,* That to prevent in any case too sharp and sudden reduction in acreage of tobacco production in any State, the marketing quota for flue-cured tobacco for any State for any marketing year shall not be reduced to a point less than 75 per centum of the production of flue-cured tobacco in such State for the year 1937.

(b) The Secretary shall provide, through the local committees, for the allotment of the marketing quota for any State among the farms on which tobacco is produced, on the basis of the following: Past marketing of tobacco, making due allowance for drought, flood, hail, other abnormal weather conditions, plant bed, and other diseases; land, labor, and equipment available for the production of tobacco; crop-rotation practices; and the soil and other physical factors affecting the production of tobacco: *Provided,* That, except for farms on which for the first time in five years tobacco is produced to be marketed in the marketing year for which the quota is effective, the marketing quota for any farm shall not be less than the smaller of either (1) three thousand two hundred pounds, in the case of flue-cured tobacco, and two thousand four hundred pounds, in the case of other kinds of tobacco, or (2) the average tobacco production for the farm during the preceding three years, plus the average normal production of any tobacco acreage diverted under agricultural adjustment and conservation programs during such preceding three years.

(c) The Secretary shall provide, through local committees, for the allotment of not in excess of 5 per centum of the national marketing quota (1) to farms in any State whether it has a State quota or not on which for the first time in five years tobacco is produced to be marketed in the year for which the quota is effective and (2) for further increase of allotments to small farms pursuant to the proviso in subsection (b) of this section on the basis of the following: Land, labor, and equipment available for the production of tobacco; crop-rotation practices; and the soil and other physical factors affecting the production of tobacco: *Provided,* That farm marketing quotas established pursuant to this subsection for farms on which tobacco is produced for the first time in five years shall not exceed 75 per

Quota for 1938-1939 marketing year, determination and proclamation.

Referendum.

Cigar-filler tobacco, type 41.  
*Post*, p. 120.

Apportionment of national marketing quota.  
Basis.  
*Post*, p. 202.

*Proviso.*  
Flue-cured tobacco, basis for fixing quota.

Allotments through local committees.  
Basis.

*Proviso.*  
Quota, except for farms on which tobacco produced for first time in 5 years.

Allotment among farms producing tobacco for first time in 5 years.

Increased allotments to small farms.

*Proviso.*  
Limitation.

centum of the farm marketing quotas established pursuant to subsection (b) of this section for farms which are similar with respect to the following: Land, labor, and equipment available for the production of tobacco, crop-rotation practices, and the soil and other physical factors affecting the production of tobacco.

Transfers restricted.

(d) Farm marketing quotas may be transferred only in such manner and subject to such conditions as the Secretary may prescribe by regulations.

Post, p. 202.

Penalties.

#### PENALTIES

Marketing in excess of marketing quota for farm on which produced; exceptions.

Penalty.

Payment of penalty.

Proviso.  
Tobacco marketed directly to person outside United States.

SEC. 314. The marketing of any tobacco in excess of the marketing quota for the farm on which the tobacco is produced, except the marketing of any such tobacco for nicotine or other byproduct uses, shall be subject to a penalty of 50 per centum of the market price of such tobacco on the date of such marketing, or, if the following rates are higher, 3 cents per pound in the case of flue-cured, Maryland, or burley, and 2 cents per pound in the case of all other kinds of tobacco. Such penalty shall be paid by the person who acquires such tobacco from the producer but an amount equivalent to the penalty may be deducted by the buyer from the price paid to the producer in case such tobacco is marketed by sale; or, if the tobacco is marketed by the producer through a warehouseman or other agent, such penalty shall be paid by such warehouseman or agent who may deduct an amount equivalent to the penalty from the price paid to the producer: *Provided*, That in case any tobacco is marketed directly to any person outside the United States the penalty shall be paid and remitted by the producer.

Part II—Marketing quotas—Corn.

#### PART II—MARKETING QUOTAS—CORN

##### LEGISLATIVE FINDING

Legislative finding.

SEC. 321. Corn is a basic source of food for the Nation, and corn produced in the commercial corn-producing area moves almost wholly in interstate and foreign commerce in the form of corn, livestock, and livestock products.

Abnormally excessive and abnormally deficient supplies of corn acutely and directly affect, burden, and obstruct interstate and foreign commerce in corn, livestock, and livestock products. When abnormally excessive supplies exist, transportation facilities in interstate and foreign commerce are overtaxed, and the handling and processing facilities through which the flow of interstate and foreign commerce in corn, livestock, and livestock products is directed become acutely congested. Abnormally deficient supplies result in substantial decreases in livestock production and in an inadequate flow of livestock and livestock products in interstate and foreign commerce, with the consequence of unreasonably high prices to consumers.

Violent fluctuations from year to year in the available supply of corn disrupt the balance between the supply of livestock and livestock products moving in interstate and foreign commerce and the supply of corn available for feeding. When available supplies of corn are excessive, corn prices are low and farmers overexpand livestock production in order to find outlets for corn. Such expansion, together with the relative scarcity and high price of corn, forces farmers to market abnormally excessive supplies of livestock in interstate commerce at sacrifice prices, endangering the financial stability of producers, and overtaxing handling and processing facilities through which the flow of interstate and foreign commerce in livestock and livestock products is directed. Such excessive marketings deplete livestock on farms, and livestock marketed in interstate and

foreign commerce consequently becomes abnormally low, with resultant high prices to consumers and danger to the financial stability of persons engaged in transporting, handling, and processing livestock in interstate and foreign commerce. These high prices in turn result in another overexpansion of livestock production.

Recurring violent fluctuations in the price of corn resulting from corresponding violent fluctuations in the supply of corn directly affect the movement of livestock in interstate commerce from the range cattle regions to the regions where livestock is fattened for market in interstate and foreign commerce, and also directly affect the movement in interstate commerce of corn marketed as corn which is transported from the regions where produced to the regions where livestock is fattened for market in interstate and foreign commerce.

Substantially all the corn moving in interstate commerce, substantially all the corn fed to livestock transported in interstate commerce for fattening, and substantially all the corn fed to livestock marketed in interstate and foreign commerce, is produced in the commercial corn-producing area. Substantially all the corn produced in the commercial corn-producing area, with the exception of a comparatively small amount used for farm consumption, is either sold or transported in interstate commerce, or is fed to livestock transported in interstate commerce for feeding, or is fed to livestock marketed in interstate and foreign commerce. Almost all the corn produced outside the commercial corn-producing area is either consumed, or is fed to livestock which is consumed, in the State in which such corn is produced.

The conditions affecting the production and marketing of corn and the livestock products of corn are such that, without Federal assistance, farmers, individually or in cooperation, cannot effectively prevent the recurrence of disparities between the supplies of livestock moving in interstate and foreign commerce and the supply of corn available for feeding, and provide for orderly marketing of corn in interstate and foreign commerce and livestock and livestock products in interstate and foreign commerce.

The national public interest requires that the burdens on interstate and foreign commerce above described be removed by the exercise of Federal power. By reason of the administrative and physical impracticability of regulating the movement of livestock and livestock products in interstate and foreign commerce and the inadequacy of any such regulation to remove such burdens, such power can be feasibly exercised only by providing for the withholding from market of excessive and burdensome supplies of corn in times of excessive production, and providing a reserve supply of corn available for market in times of deficient production, in order that a stable and continuous flow of livestock and livestock products in interstate and foreign commerce may at all times be assured and maintained.

#### FARM MARKETING QUOTAS

SEC. 322. (a) Whenever in any calendar year the Secretary determines from available statistics of the Department, including the August production estimate officially published by the Division of Crop and Livestock Estimates of the Bureau of Agricultural Economics of the Department, that the total supply of corn as of October 1 will exceed the normal supply thereof by more than 10 per centum, marketing quotas shall be in effect in the commercial corn-producing area for the crop of corn grown in such area in such calendar year, and shall remain in effect until terminated in accordance with the provisions of this title.

Farm marketing  
quotas.

When effective; termination.



Determination of  
acreage.

"Marketing per-  
centage."

*Post*, p. 52.

Proclamation by  
Secretary.

Referendum.

Effect of vote.

September produc-  
tion estimates, use of,  
in determining con-  
tinuation of market-  
ing quotas.

(b) The Secretary shall determine, on the basis of the estimated average yield of corn in such area for such crop, the acreage in such area which the Secretary determines would make available for the marketing year beginning October 1 a supply of corn (together with the estimated production of corn in the United States outside such area) equal to the normal supply. The percentage which the number of acres so determined is of the total number of acres of the acreage allotment under section 328 shall be proclaimed by the Secretary. Such percentage is referred to herein as the "marketing percentage".

(c) The Secretary shall proclaim his determinations of facts under subsection (a) and his determination of the marketing percentage under subsection (b) not later than August 15.

(d) Within twenty days after the date of the issuance of the proclamation provided for in subsection (c) of this section, the Secretary shall conduct a referendum, by secret ballot, of farmers who would be subject to such quotas to determine whether such farmers are in favor of or opposed to such quotas. If more than one-third of the farmers voting in the referendum oppose such quotas, the Secretary shall, prior to September 10, proclaim the result of the referendum and such quotas shall not become effective.

(e) Whenever it shall appear from the September production estimates officially published by the Division of Crop and Livestock Estimates of the Bureau of Agricultural Economics of the Department, that the total supply of corn as of the beginning of the next succeeding marketing year will not exceed the normal supply by more than 10 per centum thereof, the Secretary shall proclaim such fact prior to September 20, if farm marketing quotas have been proclaimed for such marketing year. Thereupon such quotas shall not become effective.

Amount of farm  
marketing quota.

Computation.

#### AMOUNT OF FARM MARKETING QUOTA

SEC. 323. (a) The farm marketing quota for any farm with respect to any crop of corn shall be an amount of corn equal to the sum of—

(1) The amount of corn used as silage; and

(2) The actual production of the acreage of corn not used as silage less the amount required for farm consumption and less the storage amount applicable to the farm as ascertained under section 324.

Quota not appli-  
cable; when.

(b) No farm marketing quota with respect to any crop of corn shall be applicable to any farm on which the normal production of the acreage planted to corn is less than three hundred bushels.

Storage amounts.

#### STORAGE AMOUNTS

Determination of.

SEC. 324. (a) If the acreage of corn on the farm does not exceed the marketing percentage of the farm acreage allotment, there shall be no storage amount.

(b) If the acreage of corn on the farm exceeds the marketing percentage of the farm acreage allotment, the storage amount shall be a number of bushels equal to the smallest of the following amounts—

(1) The normal production of the acreage of corn on the farm in excess of the marketing percentage of the farm acreage allotment;

(2) The amount by which the actual production of the acreage of corn on the farm exceeds the normal production of the marketing percentage of the farm acreage allotment; or

(3) The amount of the actual production of the acreage of corn on the farm not used for silage.

(c) If the storage amount ascertained under subsection (b) is less than 100 bushels, there shall be no storage amount.

#### PENALTIES

SEC. 325. (a) Any farmer who, while any farm marketing quota is in effect for his farm with respect to any crop of corn, markets corn produced on the farm in an amount which is in excess of the aggregate of the farm marketing quotas for the farm in effect at such time, shall be subject to a penalty of 15 cents per bushel of the excess so marketed. Liability for such penalty shall not accrue until the amount of corn stored under seal on such farm or in storage cribs rented by the farmer or under his control is less than the storage amount applicable to such crop plus the storage amounts, if any, applicable to other crops.

(b) If there is stored under seal on the farm or in such cribs an amount of corn equal at least to the storage amount applicable to such crop plus such storage amounts applicable to such other crops, the farmer shall be presumed not to be violating the provisions of subsection (a). When the amount of corn stored under seal on the farm or in such cribs is less than the storage amount applicable to such crop plus such storage amounts applicable to such other crops, the farmer shall be presumed to have marketed, while farm marketing quotas were in effect, corn in violation of the provisions of subsection (a) to the extent that the amount of corn so stored is less than the aggregate of such storage amounts. In any action brought to enforce the collection of penalties provided for in this section, the farmer, to the extent that the amount of corn so stored is less than the aggregate of such storage amounts shall have the burden of proving that he did not market corn in violation of the provisions of subsection (a).

(c) For the purposes of this Part, corn shall be deemed to be stored by the farmer under seal only if stored in such manner as to conform to the requirements of such regulations as the Secretary shall prescribe in order more effectively to administer this Part.

#### ADJUSTMENT OF FARM MARKETING QUOTAS

SEC. 326. (a) Whenever in any county or other area the Secretary finds that the actual production of corn plus the amount of corn stored under seal in such county or other area is less than the normal production of the marketing percentage of the farm acreage allotments in such county or other area, the Secretary shall terminate farm marketing quotas for corn in such county or other area.

(b) Whenever, upon any farm, the actual production of the acreage of corn is less than the normal production of the marketing percentage of the farm acreage allotment, there may be marketed, without penalty, from such farm an amount of corn from the corn stored under seal pursuant to section 324 which, together with the actual production of the then current crop, will equal the normal production of the marketing percentage of the farm acreage allotment.

(c) Whenever, in any marketing year, marketing quotas are not in effect with respect to the crop of corn produced in the calendar year in which such marketing year begins, all marketing quotas applicable to previous crops of corn shall be terminated.

#### PROCLAMATIONS OF SUPPLIES AND COMMERCIAL CORN-PRODUCING AREA

SEC. 327. Not later than September 1, the Secretary shall ascertain and proclaim the total supply, the normal supply, and the reserve supply level for such marketing year. Not later than February 1,

Penalties.

Farmer marketing amount in excess of aggregate quotas.

Penalty.

Liability based on storage provisions.

Presumption of non-violation; when.

Presumption of violation.

Burden of proof.

Storage regulations.

Adjustment of farm marketing quotas.

Production less than normal production of marketing percentage of farm acreage allotment.

*Ante*, p. 59.

When quotas not in effect, termination of previous quotas.

Proclamations of supplies and commercial corn-producing area.

*Post*, p. 205

the Secretary shall ascertain and proclaim the commercial corn-producing area. The ascertainment and proclamation of the commercial corn-producing area for 1938 shall be made not later than ten days after the date of the enactment of this Act.

#### ACREAGE ALLOTMENT

Acreage allotment.  
*Post*, pp. 202, 205.

SEC. 328. The acreage allotment of corn for any calendar year shall be that acreage in the commercial corn-producing area which, on the basis of the average yield for corn in such area during the ten calendar years immediately preceding such calendar year will produce an amount of corn in such area which the Secretary determines will, together with corn produced in the United States outside the commercial corn-producing area, make available a supply for the marketing year beginning in such calendar year, equal to the reserve supply level. The Secretary shall proclaim such acreage allotment not later than February 1 of the calendar year for which such acreage allotment was determined. The proclamation of the acreage allotment for 1938 shall be made as soon as practicable after the date of the enactment of this Act.

#### APPORTIONMENT OF ACREAGE ALLOTMENT

Apportionment of  
acreage allotment.

SEC. 329. (a) The acreage allotment for corn shall be apportioned by the Secretary among the counties in the commercial corn-producing area on the basis of the acreage seeded for the production of corn during the ten calendar years immediately preceding the calendar year in which the apportionment is determined (plus, in applicable years, the acreage diverted under previous agricultural adjustment and conservation programs), with adjustments for abnormal weather conditions and for trends in acreage during such period and for the promotion of soil-conservation practices: *Provided*, That any downward adjustment for the promotion of soil-conservation practices shall not exceed 2 per centum of the total acreage allotment that would otherwise be made to such county.

*Proviso.*  
Limitation.

County allotment.

(b) The acreage allotment to the county for corn shall be apportioned by the Secretary, through the local committees, among the farms within the county on the basis of tillable acreage, crop-rotation practices, type of soil, and topography.

Part III—Market-  
ing quotas—Wheat.

#### PART III—MARKETING QUOTAS—WHEAT

##### LEGISLATIVE FINDINGS

Legislative findings.

SEC. 331. Wheat is a basic source of food for the Nation, is produced throughout the United States by more than a million farmers, is sold on the country-wide market and, as wheat or flour, flows almost entirely through instrumentalities of interstate and foreign commerce from producers to consumers.

Abnormally excessive and abnormally deficient supplies of wheat on the country-wide market acutely and directly affect, burden, and obstruct interstate and foreign commerce. Abnormally excessive supplies overtax the facilities of interstate and foreign transportation, congest terminal markets and milling centers in the flow of wheat from producers to consumers, depress the price of wheat in interstate and foreign commerce, and otherwise disrupt the orderly marketing of such commodity in such commerce. Abnormally deficient supplies result in an inadequate flow of wheat and its products in interstate and foreign commerce with consequent injurious effects to the instrumentalities of such commerce and with excessive increases in the prices of wheat and its products in interstate and foreign commerce.

It is in the interest of the general welfare that interstate and foreign commerce in wheat and its products be protected from such burdensome surpluses and distressing shortages, and that a supply of wheat be maintained which is adequate to meet domestic consumption and export requirements in years of drought, flood, and other adverse conditions as well as in years of plenty, and that the soil resources of the Nation be not wasted in the production of such burdensome surpluses. Such surpluses result in disastrously low prices of wheat and other grains to wheat producers, destroy the purchasing power of grain producers for industrial products, and reduce the value of the agricultural assets supporting the national credit structure. Such shortages of wheat result in unreasonably high prices of flour and bread to consumers and loss of market outlets by wheat producers.

The conditions affecting the production and marketing of wheat are such that, without Federal assistance, farmers, individually or in cooperation, cannot effectively prevent the recurrence of such surpluses and shortages and the burdens on interstate and foreign commerce resulting therefrom, maintain normal supplies of wheat, or provide for the orderly marketing thereof in interstate and foreign commerce.

The provisions of this Part affording a cooperative plan to wheat producers are necessary in order to minimize recurring surpluses and shortages of wheat in interstate and foreign commerce, to provide for the maintenance of adequate reserve supplies thereof, and to provide for an adequate flow of wheat and its products in interstate and foreign commerce. The provisions hereof for regulation of marketings by producers of wheat whenever an abnormally excessive supply of such commodity exists are necessary in order to maintain an orderly flow of wheat in interstate and foreign commerce under such conditions.

#### PROCLAMATIONS OF SUPPLIES AND ALLOTMENTS

SEC. 332. Not later than July 15 of each marketing year for wheat, the Secretary shall ascertain and proclaim the total supply and the normal supply of wheat for such marketing year, and the national acreage allotment for the next crop of wheat.

Proclamations of  
supplies and allot-  
ments.

#### NATIONAL ACREAGE ALLOTMENT

SEC. 333. The national acreage allotment for any crop of wheat shall be that acreage which the Secretary determines will, on the basis of the national average yield for wheat, produce an amount thereof adequate, together with the estimated carry-over at the beginning of the marketing year for such crop, to make available a supply for such marketing year equal to a normal year's domestic consumption and exports plus 30 per centum thereof. The national acreage allotment for wheat for 1938 shall be sixty-two million five hundred thousand acres.

National acreage  
allotment.  
*Post*, p. 775.

#### APPORTIONMENT OF NATIONAL ACREAGE ALLOTMENT

SEC. 334. (a) The national acreage allotment for wheat shall be apportioned by the Secretary among the several States on the basis of the acreage seeded for the production of wheat during the ten calendar years immediately preceding the calendar year in which the national acreage allotment is determined (plus, in applicable years, the acreage diverted under previous agricultural adjustment and conservation programs), with adjustments for abnormal weather conditions and for trends in acreage during such period.

Apportionment.

State acreage allotment.  
*Post*, p. 203.

(b) The State acreage allotment for wheat shall be apportioned by the Secretary among the counties in the State, on the basis of the acreage seeded for the production of wheat during the ten calendar years immediately preceding the calendar year in which the national acreage allotment is determined (plus, in applicable years, the net acreage diverted under previous agricultural adjustment and conservation programs), with adjustments for abnormal weather conditions and trends in acreage during such period and for the promotion of soil-conservation practices.

County allotment.

(c) The allotment to the county shall be apportioned by the Secretary, through the local committees, among the farms within the county on the basis of tillable acres, crop-rotation practices, type of soil, and topography. Not more than 3 per centum of such county allotment shall be apportioned to farms on which wheat has not been planted during any of the three marketing years immediately preceding the marketing year in which the allotment is made.

Marketing quotas.

#### MARKETING QUOTAS

Effective upon proclamation of the Secretary.

SEC. 335. (a) Whenever it shall appear that the total supply of wheat as of the beginning of any marketing year will exceed a normal year's domestic consumption and exports by more than 35 per centum, the Secretary shall, not later than the May 15 prior to the beginning of such marketing year, proclaim such fact and, during the marketing year beginning July 1 and continuing throughout such marketing year, a national marketing quota shall be in effect with respect to the marketing of wheat. The Secretary shall ascertain and specify in the proclamation the amount of the national marketing quota in terms of a total quantity of wheat and also in terms of a marketing percentage of the national acreage allotment for the current crop which he determines will, on the basis of the national average yield of wheat, produce the amount of the national marketing quota. Marketing quotas for any marketing year shall be in effect with respect to wheat harvested in the calendar year in which such marketing year begins notwithstanding that the wheat is marketed prior to the beginning of such marketing year. No marketing quota with respect to the marketing of wheat shall be in effect for the marketing year beginning July 1, 1938, unless prior to the date of the proclamation of the Secretary, provision has been made by law for the payment, in whole or in part, in 1938 of parity payments with respect to wheat.

Contents of proclamation.

Amount of national marketing quota, computation.

(b) The amount of the national marketing quota for wheat shall be equal to a normal year's domestic consumption and exports plus 30 per centum thereof, less the sum of (1) the estimated carry-over of wheat as of the beginning of the marketing year with respect to which the quota is proclaimed and (2) the estimated amount of wheat which will be used on farms as seed or livestock feed during the marketing year.

Farm marketing quota, computation.

(c) The farm marketing quota for any farm for any marketing year shall be a number of bushels of wheat equal to the sum of—

(1) A number of bushels equal to the normal production of a number of acres determined by applying the marketing percentage specified in the quota proclamation to the farm acreage allotment for the current crop; and

(2) A number of bushels of wheat equal to the amount, or part thereof, of wheat from any previous crop which the farmer has on hand which, had such amount, or part thereof, been marketed during the preceding marketing year in addition to the wheat actually marketed during such preceding marketing year, could have been marketed without penalty.

In no event shall the farm marketing quota for any farm be less than the normal production of half the farm acreage allotment for the farm.

Minimum farm marketing quota.

(d) No farm marketing quota with respect to wheat shall be applicable in any marketing year to any farm on which the normal production of the acreage planted to wheat of the current crop is less than one hundred bushels.

Small crop farms.

#### REFERENDUM

SEC. 336. Between the date of the issuance of any proclamation of any national marketing quota for wheat and June 10, the Secretary shall conduct a referendum, by secret ballot, of farmers who will be subject to the quota specified therein to determine whether such farmers favor or oppose such quota. If more than one-third of the farmers voting in the referendum oppose such quota, the Secretary shall, prior to the effective date of such quota, by proclamation suspend the operation of the national marketing quotas with respect to wheat.

Referendum.

Effect of vote on quota.

#### ADJUSTMENT AND SUSPENSION OF QUOTAS

SEC. 337. (a) If the total supply as proclaimed by the Secretary within forty-five days after the beginning of the marketing year is less than that specified in the proclamation by the Secretary under section 335 (a), then the national marketing quota specified in the proclamation under such section shall be increased accordingly.

Adjustment and suspension of quotas.

(b) Whenever it shall appear from either the July or the August production estimates, officially published by the Division of Crop and Livestock Estimates of the Bureau of Agricultural Economics of the Department, that the total supply of wheat as of the beginning of the marketing year was less than a normal year's domestic consumption and exports plus 30 per centum thereof, the Secretary shall proclaim such fact prior to July 20, or August 20, as the case may be, if farm marketing quotas have been announced with respect to the crop grown in such calendar year. Thereupon such quotas shall become ineffective.

#### TRANSFER OF QUOTAS

SEC. 338. Farm marketing quotas for wheat shall not be transferable, but, in accordance with regulations prescribed by the Secretary for such purpose, any farm marketing quota in excess of the supply of wheat for such farm for any marketing year may be allocated to other farms on which the acreage allotment has not been exceeded.

Transfer of quotas.

#### PENALTIES

SEC. 339. Any farmer who, while farm marketing quotas are in effect, markets wheat in excess of the farm marketing quota for the farm on which such wheat was produced, shall be subject to a penalty of 15 cents per bushel of the excess so marketed.

Penalties.

#### PART IV—MARKETING QUOTAS—COTTON

Part IV—Marketing quotas—Cotton.

#### LEGISLATIVE FINDINGS

SEC. 341. American cotton is a basic source of clothing and industrial products used by every person in the United States and by substantial numbers of people in foreign countries. American cotton is sold on a world-wide market and moves from the places of pro-

Legislative findings.

duction almost entirely in interstate and foreign commerce to processing establishments located throughout the world at places outside the State where the cotton is produced.

Fluctuations in supplies of cotton and the marketing of excessive supplies of cotton in interstate and foreign commerce disrupt the orderly marketing of cotton in such commerce with consequent injury to and destruction of such commerce. Excessive supplies of cotton directly and materially affect the volume of cotton moving in interstate and foreign commerce and cause disparity in prices of cotton and industrial products moving in interstate and foreign commerce with consequent diminution of the volume of such commerce in industrial products.

The conditions affecting the production and marketing of cotton are such that, without Federal assistance, farmers, individually or in cooperation, cannot effectively prevent the recurrence of excessive supplies of cotton and fluctuations in supplies, cannot prevent indiscriminate dumping of excessive supplies on the Nation-wide and foreign markets, cannot maintain normal carry-overs of cotton, and cannot provide for the orderly marketing of cotton in interstate and foreign commerce.

It is in the interest of the general welfare that interstate and foreign commerce in cotton be protected from the burdens caused by the marketing of excessive supplies of cotton in such commerce, that a supply of cotton be maintained which is adequate to meet domestic consumption and export requirements in years of drought, flood, and other adverse conditions as well as in years of plenty, and that the soil resources of the Nation be not wasted in the production of excessive supplies of cotton.

The provisions of this Part affording a cooperative plan to cotton producers are necessary and appropriate to prevent the burdens on interstate and foreign commerce caused by the marketing in such commerce of excessive supplies, and to promote, foster, and maintain an orderly flow of an adequate supply of cotton in such commerce.

#### FINDING AND PROCLAMATION OF SUPPLIES, AND SO FORTH

Finding and proclamation of supplies, etc.

SEC. 342. Not later than November 15 of each year the Secretary shall find and proclaim (a) the total supply, the normal supply, and the carry-over of cotton as of August 1 of such year, (b) the probable domestic consumption of American cotton during the marketing year commencing August 1 of such year, (c) the probable exports of American cotton during such marketing year, and (d) the estimated carry-over of cotton as of the next succeeding August 1. For the marketing year 1937-1938 the Secretary shall make all the findings and proclamations provided for in this section not later than ten days after the date of the enactment of this Act.

#### AMOUNT OF NATIONAL ALLOTMENT

Amount of national allotment.

SEC. 343. (a) Not later than November 15 of each year the Secretary shall find and proclaim the amount of the national allotment of cotton for the succeeding calendar year in terms of standard bales of five hundred pounds gross weight. The national allotment shall be the number of bales of cotton adequate, together with the estimated carry-over as of August 1 of such succeeding calendar year, to make available a supply of cotton, for the marketing year begin-

ning on such August 1, equal to the normal supply. The finding and proclamation of the national allotment for the calendar year 1938 shall be made not later than ten days after the date of the enactment of this Act.

Finding and proclamation of, for 1938; time limitation.

(b) If the national allotment for 1938 or 1939 is determined to be less than ten million bales, the national allotment for such year shall be ten million bales for such year, as the case may be. If the national allotment for 1938 or 1939 is determined to be more than eleven million five hundred thousand bales, it shall be eleven million five hundred thousand bales for such year, as the case may be.

Determination of, for 1938 or 1939.

(c) Notwithstanding the foregoing provisions of this section, the national allotment for 1938 and for 1939 shall be increased by a number of bales equal to the production of the acres allotted under section 344 (e) for such year.

Increase, for 1938 and 1939.  
*Post*, p. 203.

#### APPORTIONMENT OF NATIONAL ALLOTMENT

SEC. 344. (a) The national allotment for cotton for each year (excluding that portion of the national allotment provided for in section 343 (c)) shall be apportioned by the Secretary among the several States on the basis of the average, for the five years preceding the year in which the national allotment is determined, of the normal production of cotton in each State. The normal production of a State for a year shall be (1) the quantity produced therein plus (2) the normal yield of the acres diverted in each county in the State under the previous agricultural adjustment or conservation programs. The normal yield of the acres diverted in any county in any year shall be the average yield per acre of the planted acres in such county in such year times the number of acres diverted in such county in such year.

Apportionment of national allotment.

Basis.

Normal production defined.

(b) The Secretary shall ascertain, on the basis of the average yield per acre in each State, a number of acres in such State which will produce a number of bales equal to the allotment made to the State under subsection (a). Such number of acres is referred to as the "State acreage allotment". The average yield per acre for any State shall be determined on the basis of the average of the normal production for the State for the years used in computing the allotment to the State, and the average, for the same period, of the acres planted and the acres diverted in the State.

"State acreage allotment."  
*Post*, p. 203.

(c) (1) The State acreage allotment (less the amount required for apportionment under paragraph (2)) shall be apportioned annually by the Secretary to the counties in the State. The apportionment to the counties shall be made on the basis of the acreage planted to cotton during the five calendar years immediately preceding the calendar year in which the State allotment is apportioned (plus, in applicable years, the acreage diverted under previous agricultural adjustment and conservation programs), with adjustments for abnormal weather conditions and trends in acreage during such five-year period.

County apportionment.

(2) Not more than 2 per centum of the State acreage allotment shall be apportioned to farms in such State which were not used for cotton production during any of the three calendar years immediately preceding the year for which the allotment is made, on the basis of land, labor, and equipment available for the production of cotton; crop rotation practices; and the soil and other physical facilities affecting the production of cotton.

Farms not used for cotton production during preceding three years.



Allotment to county, apportionment among farms through local committees.  
Basis.

(d) The allotment apportioned to the county under subsection (c) (1), plus any amount allotted to the county under subsection (e), shall be apportioned by the Secretary, through the local committees, among the farms within the county on the following basis:

(1) To each farm on which cotton has been planted during any of the previous three years there shall be allotted the smaller of the following—

(A) Five acres; or

(B) The highest number of acres planted to cotton (plus the acres diverted from the production of cotton under the agricultural adjustment or conservation programs) in any year of such three-year period;

Allotments under other provisions.

(2) Not more than 3 per centum of the amount remaining, after making the allotments provided for under paragraph (1), shall be allotted, upon such basis as the Secretary deems fair and equitable, to farms (other than farms to which an allotment has been made under paragraph (1) (B)) to which an allotment of not exceeding fifteen acres may be made under other provisions of this subsection; and

Remainder to farms on which cotton planted during any of previous 3 years; exception.  
Post, p. 203.

(3) The remainder of the total amount available to the county shall be allotted to farms on which cotton has been planted during any of the previous three years (except farms to which an allotment has been made under paragraph (1) (B)). The allotment to each farm under this paragraph, together with the amount of the allotment to such farm under paragraph (1) (A), shall be a prescribed percentage (which percentage shall be the same for all such farms in the county or administrative area) of the acreage, during the preceding year, on the farm which is tilled annually or in regular rotation, excluding from such acreage the acres devoted to the production of wheat, tobacco, or rice for market or for feeding to livestock for market: *Provided, however,* That if a farm would be allotted under this paragraph an acreage, together with the amount of the allotment to such farm under paragraph (1) (A), in excess of the largest acreage planted to cotton plus the acreage diverted from the production of cotton under the agricultural adjustment or conservation program during any of the preceding three years, the acreage allotment for such farm shall not exceed such largest acreage so planted and diverted in any such year.

Proviso.  
Acreage allotment restriction.

Allotment to counties for 1938 and 1939.  
Post, p. 203.

(e) For 1938 and 1939, the Secretary shall allot to the several counties, to which an apportionment is made under subsection (c), a number of acres required to provide a total acreage for allotment under this section to such counties of not less than 60 per centum of the sum of (1) the acreage planted to cotton in such counties in 1937, plus (2) the acreage therein diverted from cotton production in 1937 under the agricultural adjustment and conservation program. The acreage so diverted shall be estimated in case data are not available at the time of making such allotment.

Consideration of different conditions in apportioning allotments.

(f) In apportioning the county allotment among the farms within the county, the Secretary, through the local committees, shall take into consideration different conditions within separate administrative areas within a county if any exist, including types, kinds, and productivity of the soil so as to prevent discrimination among the administrative areas of the county.

Post, p. 203.

#### MARKETING QUOTAS

Marketing quotas.  
Post, p. 205.

SEC. 345. Whenever the Secretary determines that the total supply of cotton for any marketing year exceeds by more than 7 per centum the normal supply thereof for such marketing year, the

Secretary shall proclaim such fact not later than November 15 of such marketing year (or, in case of the marketing year 1937-1938, within ten days after the date of enactment of this Act), and marketing quotas shall be in effect during the next succeeding marketing year with respect to the marketing of cotton. Cotton produced in the calendar year in which such marketing year begins shall be subject to the quotas in effect for such marketing year notwithstanding that it may be marketed prior to August 1.

#### AMOUNT OF FARM MARKETING QUOTAS

SEC. 346. (a) The farm marketing quota for cotton for any farm for any marketing year shall be a number of bales of cotton equal to the sum of—

Amount of farm marketing quotas.

(1) A number of bales equal to the normal production or the actual production, whichever is the greater, of the farm acreage allotment, and

(2) A number of bales equal to the amount, or part thereof, of cotton from any previous crop which the farmer has on hand, which, had such amount, or part thereof, been marketed during the preceding marketing year in addition to the cotton actually marketed during such preceding marketing year, could have been marketed without penalty.

(b) The penalties provided for in section 348 shall not apply to the marketing of cotton produced on any farm for which a farm acreage allotment has been made for the current crop if the production of the current crop does not exceed one thousand pounds of lint cotton.

#### REFERENDUM

SEC. 347. Not later than December 15 of any calendar year in which a proclamation of farm marketing quotas pursuant to the provisions of this Part has been made, the Secretary shall conduct a referendum, by secret ballot, of farmers who were engaged in production of the crop harvested prior to the holding of the referendum to determine whether they favor or oppose such quotas. If more than one-third of the farmers voting in the referendum oppose such quotas, the Secretary shall, prior to the end of such calendar year, proclaim the result of the referendum, and upon such proclamation the quotas shall become ineffective. If a proclamation under section 345 is made with respect to the 1938 crop, the referendum with respect to such crop shall be held not later than thirty days after the date of the enactment of this Act and the result thereof shall be proclaimed not later than forty-five days after such date.

Referendum.  
*Post*, p. 205.

#### PENALTIES

SEC. 348. Any farmer who, while farm marketing quotas are in effect, markets cotton in excess of the farm marketing quota for the marketing year for the farm on which such cotton was produced, shall be subject to the following penalties with respect to the excess so marketed: 2 cents per pound if marketed during the first marketing year when farm marketing quotas are in effect; and 3 cents per pound if marketed during any subsequent year, except that the penalty shall be 2 cents per pound if cotton of the crop subject to penalty in the first year is marketed subject to penalty in any subsequent year.

Penalties.

#### INELIGIBILITY FOR PAYMENTS

SEC. 349. (a) Any person who knowingly plants cotton on his farm in any year on acreage in excess of the farm acreage allotment

Ineligibility for payments.

*Ante*, p. 57.

Sworn statement to  
be filed.  
*Post*, p. 204.

for cotton for the farm for such year under section 344 shall not be eligible for any payment for such year under the Soil Conservation and Domestic Allotment Act, as amended.

(b) All persons applying for any payment of money under the Soil Conservation and Domestic Allotment Act, as amended, shall file with the application a statement verified by affidavit that the applicant has not knowingly planted, during the current year, cotton on land on his farm in excess of the acreage allotted to the farm under section 344 for such year. Any person who knowingly swears falsely in any statement required under this subsection shall be guilty of perjury.

#### LONG STAPLE COTTON

Long staple cotton.

SEC. 350. The provisions of this Part shall not apply to cotton the staple of which is  $1\frac{1}{2}$  inches or more in length.

Part V—Marketing  
quotas—Rice.

#### PART V—MARKETING QUOTAS—RICE

##### LEGISLATIVE FINDING

Legislative finding.

SEC. 351. (a) The marketing of rice constitutes one of the great basic industries of the United States with ramifying activities which directly affect interstate and foreign commerce at every point, and stable conditions therein are necessary to the general welfare. Rice produced for market is sold on a Nation-wide market, and, with its products, moves almost wholly in interstate and foreign commerce from the producer to the ultimate consumer. The farmers producing such commodity are subject in their operations to uncontrollable natural causes, in many cases such farmers carry on their farming operations on borrowed money or leased lands, and are not so situated as to be able to organize effectively, as can labor and industry, through unions and corporations enjoying Government sanction and protection for joint economic action. For these reasons, among others, the farmers are unable without Federal assistance to control effectively the orderly marketing of such commodity with the result that abnormally excessive supplies thereof are produced and dumped indiscriminately on the Nation-wide market.

(b) The disorderly marketing of such abnormally excessive supplies affects, burdens, and obstructs interstate and foreign commerce by (1) materially affecting the volume of such commodity marketed therein, (2) disrupting the orderly marketing of such commodity therein, (3) reducing the prices for such commodity with consequent injury and destruction of such commerce in such commodity, and (4) causing a disparity between the prices for such commodity in interstate and foreign commerce and industrial products therein, with a consequent diminution of the volume of interstate and foreign commerce in industrial products.

(c) Whenever an abnormally excessive supply of rice exists, the marketing of such commodity by the producers thereof directly and substantially affects interstate and foreign commerce in such commodity and its products, and the operation of the provisions of this Part becomes necessary and appropriate in order to promote, foster, and maintain an orderly flow of such supply in interstate and foreign commerce.

#### NATIONAL ACREAGE ALLOTMENT

National acreage al-  
lotment.

SEC. 352. The national acreage allotment of rice for any calendar year shall be that acreage which the Secretary determines will, on the basis of the national average yield of rice for the five calendar years immediately preceding the calendar year for which such

national average yield is determined, produce an amount of rice adequate, together with the estimated carry-over from the marketing year ending in such calendar year, to make available a supply for the marketing year commencing in such calendar year not less than the normal supply. Such national acreage allotment shall be proclaimed not later than December 31 of each year.

#### APPORTIONMENT OF NATIONAL ACREAGE ALLOTMENT

SEC. 353. (a) The national acreage allotment of rice for each calendar year shall be apportioned by the Secretary among the several States in which rice is produced in proportion to the average number of acres of rice in each State during the five-year period immediately preceding the calendar year for which such national acreage allotment of rice is determined (plus, in applicable years, the acreage diverted under previous agricultural adjustment and conservation programs) with adjustments for trends in acreage during the applicable period.

Apportionment of national acreage allotment.

(b) Not less than 97 per centum of the acreage allotted to any State shall be apportioned annually by the Secretary through local and State committees of farmers among the persons producing rice within such State on the basis of past production of rice; land, labor, and available equipment for the production of rice; crop-rotation practices, soil fertility, and other physical factors affecting the production of rice: *Provided*, That not exceeding 3 per centum of the acreage allotted to each State shall be apportioned annually by the Secretary through local and State committees of farmers among persons who for the first time in the past five years are producing rice on the basis of the applicable standards of apportionment set forth in this subsection: *Provided further*, That a person producing rice for the first time in five years shall not be allotted an acreage in excess of 75 per centum of the allotment that would be made to him if he were not producing rice for the first time in such five years.

Allotments to States, apportionment through local, etc., committees.

*Provisos.*  
Apportionment to persons producing rice for first time in five years.

Acreage restriction.

#### DOMESTIC ALLOTMENT OF RICE

SEC. 354. (a) Not later than December 31 of each year the Secretary shall ascertain from the latest available statistics of the Department and shall proclaim the total amount of rice which will be needed during the next succeeding marketing year to meet the requirements of consumers in the United States. Such amount is hereinafter referred to as the "domestic allotment of rice".

Domestic allotment of rice.

(b) The domestic allotment of rice for each marketing year shall be apportioned by the Secretary among the several States in which rice is produced in proportion to the average amount of rice produced in each State during the five-year period including the calendar year in which such domestic allotment is announced (plus, in applicable years, the normal production of any acreage diverted under previous agricultural adjustment and conservation programs), with adjustments for abnormal weather conditions and trends in acreage during the applicable period.

Annual apportionment among rice-producing States.

(c) The Secretary shall provide, through local and State committees of farmers, for the allotment of each State apportionment among persons producing rice in such State. The apportionment of the domestic allotment of rice among persons producing rice in each State shall be on the basis of the aggregate normal yields of the acreage allotments established with respect to such persons.

Apportionment of allotment to producers; basis.

## MARKETING QUOTAS

Marketing quotas.  
*Ante*, p. 61.

Secretary's procla-  
mation; effect of.

*Proviso.*  
No quota, market-  
ing year commencing  
August 1, 1938.  
Amount of national  
quota.

Referendum.

Effect of vote on  
quota.

Apportionment  
among States and rice  
producers.  
*Ante*, p. 61.

Transfers.

SEC. 355. (a) If at the time of any proclamation made under the provisions of section 354 (a) it shall appear from the latest available statistics of the Department that the total supply of rice exceeds the normal supply thereof for the current marketing year by more than 10 per centum of such normal supply, the Secretary shall also proclaim that, beginning on the first day of the marketing year next following and continuing throughout such year a national marketing quota shall be in effect for marketings of rice by producers: *Provided*, That no marketing quota shall be in effect for the marketing year commencing August 1, 1938. The Secretary shall also ascertain and specify in such proclamation the amount of the national marketing quota in terms of the total quantity thereof which may be marketed by producers which shall be that amount of rice which the Secretary determines will make available during such marketing year a normal supply.

(b) Within thirty days after the date of the issuance of the proclamation specified in subsection (a) of this section, the Secretary shall conduct a referendum, by secret ballot, of producers who would be subject to the national marketing quota for rice to determine whether such producers are in favor of or opposed to such quota. If more than one-third of the producers voting in the referendum oppose such quota, the Secretary shall, prior to the 15th day of February, proclaim the result of the referendum, and such quota shall not become effective.

(c) The national marketing quota shall be apportioned among States and persons producing rice in each State, including new producers, in the manner and upon the basis set forth in section 354 for the apportionment of the domestic allotment of rice.

(d) Marketing quotas may be transferred only in such manner and subject to such conditions as the Secretary may prescribe by regulations.

## PENALTIES

Penalties.

SEC. 356. Any producer who markets rice in excess of his marketing quota shall be subject to a penalty of one-quarter of 1 cent per pound of the excess so marketed.

Subtitle C—Admin-  
istrative provisions.

Part I—Publication  
and review of quotas.

## SUBTITLE C—ADMINISTRATIVE PROVISIONS

## PART I—PUBLICATION AND REVIEW OF QUOTAS

## APPLICATION OF PART

Application of Part.

*Ante*, p. 45.

SEC. 361. This Part shall apply to the publication and review of farm marketing quotas established for tobacco, corn, wheat, cotton, and rice, established under subtitle B.

## PUBLICATION AND NOTICE OF QUOTA

Publication and no-  
tice of quota.

SEC. 362. All acreage allotments, and the farm marketing quotas established for farms in a county or other local administrative area shall, in accordance with regulations of the Secretary, be made and kept freely available for public inspection in such county or other local administrative area. An additional copy of this information shall be kept available in the office of the county agricultural extension agent or with the chairman of the local committee. Notice of the farm marketing quota of his farm shall be mailed to the farmer.

## REVIEW BY REVIEW COMMITTEE

SEC. 363. Any farmer who is dissatisfied with his farm marketing quota may, within fifteen days after mailing to him of notice as provided in section 362, have such quota reviewed by a local review committee composed of three farmers appointed by the Secretary. Such committee shall not include any member of the local committee which determined the farm acreage allotment, the normal yield, or the farm marketing quota for such farm. Unless application for review is made within such period, the original determination of the farm marketing quota shall be final.

Review by review committee.

*Ante*, p. 62.

## REVIEW COMMITTEE

SEC. 364. The members of the review committee shall receive as compensation for their services the same per diem as that received by the members of the committee utilized for the purposes of the Soil Conservation and Domestic Allotment Act, as amended. The members of the review committee shall not be entitled to receive compensation for more than thirty days in any one year.

Review committee members, compensation.

## INSTITUTION OF PROCEEDINGS

SEC. 365. If the farmer is dissatisfied with the determination of the review committee, he may, within fifteen days after a notice of such determination is mailed to him by registered mail, file a bill in equity against the review committee as defendant in the United States district court, or institute proceedings for review in any court of record of the State having general jurisdiction, sitting in the county or the district in which his farm is located, for the purpose of obtaining a review of such determination. Bond shall be given in an amount and with surety satisfactory to the court to secure the United States for the costs of the proceeding. The bill of complaint in such proceeding may be served by delivering a copy thereof to any one of the members of the review committee. Thereupon the review committee shall certify and file in the court a transcript of the record upon which the determination complained of was made, together with its findings of fact.

Institution of proceedings for review.

Bond.

Bill of complaint, service of.

Certification and filing of transcript of record.

## COURT REVIEW

SEC. 366. The review by the court shall be limited to questions of law, and the findings of fact by the review committee, if supported by evidence, shall be conclusive. If application is made to the court for leave to adduce additional evidence, and it is shown to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for failure to adduce such evidence in the hearing before the review committee, the court may direct such additional evidence to be taken before the review committee in such manner and upon such terms and conditions as to the court may seem proper. The review committee may modify its findings of fact or its determination by reason of the additional evidence so taken, and it shall file with the court such modified findings or determination, which findings of fact shall be conclusive. At the earliest convenient time, the court, in term time or vacation, shall hear and determine the case upon the original record of the hearing before the review committee, and upon such record as supplemented if supplemented, by further hearing before the review committee pursuant to direction of the court. The court shall affirm the review committee's determination, or modified determination, if the court determines that the same is in accordance with law. If the court determines that such determination or modified determination is

Court review.

not in accordance with law, the court shall remand the proceeding to the review committee with direction either to make such determination as the court shall determine to be in accordance with law or to take such further proceedings as, in the court's opinion, the law requires.

#### STAY OF PROCEEDINGS AND EXCLUSIVE JURISDICTION

Stay of proceedings and exclusive jurisdiction.

SEC. 367. The commencement of judicial proceedings under this Part shall not, unless specifically ordered by the court, operate as a stay of the review committee's determination. Notwithstanding any other provision of law, the jurisdiction conferred by this Part to review the legal validity of a determination made by a review committee pursuant to this Part shall be exclusive. No court of the United States or of any State shall have jurisdiction to pass upon the legal validity of any such determination except in a proceeding under this Part.

#### NO EFFECT ON OTHER QUOTAS

No effect on other quotas.

SEC. 368. Notwithstanding any increase of any farm marketing quota for any farm as a result of review of the determination thereof under this Part, the marketing quotas for other farms shall not be affected.

Part II—Adjustment of quotas and enforcement.

#### PART II.—ADJUSTMENT OF QUOTAS AND ENFORCEMENT

##### GENERAL ADJUSTMENTS OF QUOTAS

General adjustments of quotas.

SEC. 371. (a) If at any time the Secretary has reason to believe that in the case of corn, wheat, cotton, rice, or tobacco the operation of farm marketing quotas in effect will cause the amount of such commodity which is free of marketing restrictions to be less than the normal supply for the marketing year for the commodity then current, he shall cause an immediate investigation to be made with respect thereto. In the course of such investigation due notice and opportunity for hearing shall be given to interested persons. If upon the basis of such investigation the Secretary finds the existence of such fact, he shall proclaim the same forthwith. He shall also in such proclamation specify such increase in, or termination of, existing quotas as he finds, on the basis of such investigation, is necessary to make the amount of such commodity which is free of marketing restrictions equal the normal supply.

Emergencies, etc.

(b) If the Secretary has reason to believe that, because of a national emergency or because of a material increase in export demand, any national marketing quota for corn, wheat, cotton, rice, or tobacco should be increased or terminated, he shall cause an immediate investigation to be made to determine whether the increase or termination is necessary in order to effectuate the declared policy of this Act or to meet such emergency or increase in export demand. If, on the basis of such investigation, the Secretary finds that such increase or termination is necessary, he shall immediately proclaim such finding (and if he finds an increase is necessary, the amount of the increase found by him to be necessary) and thereupon such quota shall be increased, or shall terminate, as the case may be.

National marketing quota increase; effect of.

(c) In case any national marketing quota for any commodity is increased under this section, each farm marketing quota for the commodity shall be increased in the same ratio.

Corn.

(d) In the case of corn, whenever such proclamation specifies an increase in marketing quotas, the storage amounts applicable to corn shall be adjusted downward to the amount which would have been required to be stored if such increased marketing quotas had

been in effect. Whenever in the case of corn, such proclamation provides for termination of marketing quotas, storage under seal shall no longer be required.

#### PAYMENT AND COLLECTION OF PENALTIES

Penalties.

SEC. 372. (a) The penalty with respect to the marketing, by sale, of wheat, cotton, or rice, if the sale is to any person within the United States, shall be collected by the buyer.

Payment and collection.

(b) All penalties provided for in Subtitle B shall be collected and paid in such manner, at such times, and under such conditions as the Secretary may by regulations prescribe. Such penalties shall be remitted to the Secretary by the person liable for the penalty, except that if any other person is liable for the collection of the penalty, such other person shall remit the penalty. The amount of such penalties shall be covered into the general fund of the Treasury of the United States.

*Ante*, p. 45.

*Post*, p. 204.

#### REPORTS AND RECORDS

SEC. 373. (a) This subsection shall apply to warehousemen, processors, and common carriers of corn, wheat, cotton, rice, or tobacco, and all ginnerers of cotton, all persons engaged in the business of purchasing corn, wheat, cotton, rice, or tobacco from producers, and all persons engaged in the business of redrying, prizing, or stemming tobacco for producers. Any such person shall, from time to time on request of the Secretary, report to the Secretary such information and keep such records as the Secretary finds to be necessary to enable him to carry out the provisions of this title. Such information shall be reported and such records shall be kept in accordance with forms which the Secretary shall prescribe. For the purpose of ascertaining the correctness of any report made or record kept, or of obtaining information required to be furnished in any report, but not so furnished, the Secretary is hereby authorized to examine such books, papers, records, accounts, correspondence, contracts, documents, and memoranda as he has reason to believe are relevant and are within the control of such person. Any such person failing to make any report or keep any record as required by this subsection or making any false report or record shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than \$500.

Reports and records.

Examination of books, etc.

Penalty provision.

(b) Farmers engaged in the production of corn, wheat, cotton, rice, or tobacco for market shall furnish such proof of their acreage, yield, storage, and marketing of the commodity in the form of records, marketing cards, reports, storage under seal, or otherwise as the Secretary may prescribe as necessary for the administration of this title.

Proof of acreage, marketing, etc., by farmers.

(c) All data reported to or acquired by the Secretary pursuant to this section shall be kept confidential by all officers and employees of the Department, and only such data so reported or acquired as the Secretary deems relevant shall be disclosed by them, and then only in a suit or administrative hearing under this title.

Acquired data to be kept confidential.

#### MEASUREMENT OF FARMS AND REPORT OF PLANTINGS

SEC. 374. The Secretary shall provide, through the county and local committees, for measuring farms on which corn, wheat, cotton, or rice is produced and for ascertaining whether the acreage planted for any year to any such commodity is in excess of the farm acreage allotment for such commodity for the farm under this title. If in the case of any farm the acreage planted to any such commodity on

Measurement of farms and report of plantings.



the farm is in excess of the farm acreage allotment for such commodity for the farm, the committee shall file with the State committee a written report stating the total acreage on the farm in cultivation and the acreage planted to such commodity.

#### REGULATIONS

##### Regulations.

SEC. 375. (a) The Secretary shall provide by regulations for the identification, wherever necessary, of corn, wheat, cotton, rice, or tobacco so as to afford aid in discovering and identifying such amounts of the commodities as are subject to and such amounts thereof as are not subject to marketing restrictions in effect under this title.

(b) The Secretary shall prescribe such regulations as are necessary for the enforcement of this title.

#### COURT JURISDICTION

##### Court jurisdiction.

SEC. 376. The several district courts of the United States are hereby vested with jurisdiction specifically to enforce the provisions of this title. If and when the Secretary shall so request, it shall be the duty of the several district attorneys in their respective districts, under the direction of the Attorney General, to institute proceedings to collect the penalties provided in this title. The remedies and penalties provided for herein shall be in addition to, and not exclusive of, any of the remedies or penalties under existing law.

Subtitle D—Miscellaneous provisions and appropriations.  
Part I—Miscellaneous.

#### SUBTITLE D—MISCELLANEOUS PROVISIONS AND APPROPRIATIONS

##### PART I—MISCELLANEOUS

#### COTTON PRICE ADJUSTMENT PAYMENTS

Cotton price adjustment payments, 1937 crop.  
50 Stat. 762.  
Post, pp. 204, 745.

50 Stat. 754.

49 Stat. 163, 1148.  
16 U. S. C., Supp. III, §§ 590a-590q.  
Ante, p. 57.

Producer innocently exceeding his allotment.

In cases of crop failure, etc.

Status of cotton not sold prior to July 1, 1938.

Filing of applications for payment, time limitation.

SEC. 381. (a) For the purposes of the provisions (relating to cotton price adjustment payments with respect to the 1937 cotton crop) of the Third Deficiency Appropriation Act, fiscal year 1937, a producer shall be deemed to have complied with the provisions of the 1938 agricultural adjustment program formulated under the legislation contemplated by Senate Joint Resolution Numbered 207, Seventy-fifth Congress, if his acreage planted to cotton in 1938 does not exceed his farm acreage allotment for 1938 under the Soil Conservation and Domestic Allotment Act, as amended (including the amendments made by this Act), or under section 344 of this Act, whichever is the lesser. For the purposes of this subsection a producer shall not be deemed to have exceeded his farm acreage allotment unless such producer knowingly exceeded his farm acreage allotment. Such compliance shall not be required in any case where the producer is not engaged in cotton production in 1938. In cases where in 1937 a total or partial crop failure resulted from hail, drought, flood, or boll-weevil infestation, if the producer is otherwise eligible for payment, payment shall be made at the rate of 3 cents per pound on the same percentage of the producer's normal base production established by the Secretary as in the case of other producers. For the purpose of such provisions of the Third Deficiency Appropriation Act, fiscal year 1937, cotton not sold prior to July 1, 1938, shall be held and considered to have been sold on June 30, 1938, and all applications for price adjustment payments shall be filed with the Secretary not later than July 15, 1938. Such payments shall be made at the earliest practicable time. Application for payment may be made by the 1937 operator of a farm on behalf of all persons engaged in cotton production on the farm in 1937 and need be signed only by such operator, but payment shall be made directly

to each of the persons entitled thereto. In case any person who is entitled to payment hereunder dies, becomes incompetent, or disappears before receiving such payment or is succeeded by another who renders or completes the required performance, payment shall, without regard to any other provisions of law, be made as the Secretary may determine to be fair and reasonable in all the circumstances and provide by regulations.

Payment in case of death, etc.

(b) Any producer for whom a loan has been made or arranged for by the Commodity Credit Corporation on cotton of his 1937 crop and who has complied with all the provisions of the loan agreement except section 8 thereof, may, at any time before July 1, 1938, transfer his right, title, and interest in and to such cotton to the Corporation; and the Corporation is authorized and directed to accept such right, title, and interest in and to such cotton and to assume all obligations of the producer with respect to the loan on such cotton, including accrued interest and accrued carrying charges to the date of such transfer. The Corporation shall notify the Secretary of Agriculture of each such transfer, and upon receipt of such notice, the Secretary shall as soon as compliance is shown, or a national marketing quota for cotton is put into effect, forthwith pay to such producer a sum equal to 2 cents per pound of such cotton, and the amount so paid shall be deducted from any price adjustment payment to which such producer is entitled.

Commodity Credit Corporation, cotton transfers to.

Notice to Secretary.

(c) The Commodity Credit Corporation is authorized on behalf of the United States to sell any cotton of the 1937 crop so acquired by it, but no such cotton or any other cotton held on behalf of the United States shall be sold unless the proceeds of such sale are at least sufficient to reimburse the United States for all amounts (including any price-adjustment payment) paid out by any of its agencies with respect to the cotton so sold. After July 31, 1939, the Commodity Credit Corporation shall not sell more than three hundred thousand bales of cotton in any calendar month, or more than one million five hundred thousand bales in any calendar year. The proceeds derived from the sale of any such cotton shall be used for the purpose of discharging the obligations assumed by the Commodity Credit Corporation with respect to such cotton, and any amounts not expended for such purpose shall be covered into the Treasury as miscellaneous receipts.

Sale of acquired 1937 crop.

Limitation.

Use of proceeds from sales.

#### EXTENSION OF 1937 COTTON LOAN

SEC. 382. The Commodity Credit Corporation is hereby authorized and directed to provide for the extension, from July 31, 1938, to July 31, 1939, of the maturity date of all notes evidencing a loan made or arranged for by the Corporation on cotton produced during the crop year 1937-1938. This section shall not be construed to prevent the sale of any such cotton on request of the person liable on the note.

Extension of 1937 cotton loan.

#### INSURANCE OF COTTON AND RECONCENTRATION OF COTTON

SEC. 383. (a) The Commodity Credit Corporation shall place all insurance of every nature taken out by it on cotton, and all renewals, extensions, or continuations of existing insurance, with insurance agents who are bona fide residents of and doing business in the State where the cotton is warehoused: *Provided*, That such insurance may be secured at a cost not greater than similar insurance offered on said cotton elsewhere.

Insurance of cotton.

*Proviso.*  
Cost.

(b) Cotton held as security for any loan heretofore or hereafter made or arranged for by the Commodity Credit Corporation shall not hereafter be reconcentrated without the written consent of the producer or borrower.

Reconcentration of cotton.  
*Post*, p. 70.

## REPORT OF BENEFITS

Report of benefits.

49 Stat. 163, 1148.  
16 U. S. C., Supp.  
III, §§ 590a-590q.

SEC. 384. The Secretary shall submit to Congress an annual report of the names of persons to whom, during the preceding year, payments were made under the Soil Conservation and Domestic Allotment Act, as amended, together with payments under section 303 of this Act, if any, if the total amount paid to such person exceeded \$1,000.

## FINALITY OF FARMERS' PAYMENTS AND LOANS

Finality of farmers' payments and loans.

SEC. 385. The facts constituting the basis for any Soil Conservation Act payment, parity payment, or loan, or the amount thereof, when officially determined in conformity with the applicable regulations prescribed by the Secretary or by the Commodity Credit Corporation, shall be final and conclusive and shall not be reviewable by any other officer or agency of the Government.

Interest of Members of Congress.  
Provisions not to apply to loans, etc., hereunder; exception.  
R. S. § 3741; 41 U. S. C. § 22.  
18 U. S. C. §§ 204, 205.  
*Ante*, p. 67.

SEC. 386. The provisions of section 3741 of the Revised Statutes (U. S. C., 1934 edition, title 41, sec. 22) and sections 114 and 115 of the Criminal Code of the United States (U. S. C., 1934 edition, title 18, secs. 204 and 205) shall not be applicable to loans or payments made under this Act (except under section 383 (a)).

## PHOTOGRAPHIC REPRODUCTIONS AND MAPS

Photographic reproductions and maps.

SEC. 387. The Secretary may furnish reproductions of such aerial or other photographs, mosaics, and maps as have been obtained in connection with the authorized work of the Department to farmers and governmental agencies at the estimated cost of furnishing such reproductions, and to persons other than farmers at such prices (not less than estimated cost of furnishing such reproductions) as the Secretary may determine, the money received from such sales to be deposited in the Treasury to the credit of the appropriation charged with the cost of making such reproductions. This section shall not affect the power of the Secretary to make other disposition of such or similar materials under any other provisions of existing law.

## UTILIZATION OF LOCAL AGENCIES

Utilization of local agencies.  
49 Stat. 1149; 50 Stat. 329.  
16 U. S. C., Supp. III, §§ 590b, k.  
*Ante*, p. 31.

SEC. 388. (a) The provisions of section 8 (b) and section 11 of the Soil Conservation and Domestic Allotment Act, as amended, relating to the utilization of State, county, local committees, the extension service, and other approved agencies, and to recognition and encouragement of cooperative associations, shall apply in the administration of this Act; and the Secretary shall, for such purposes, utilize the same local, county, and State committees as are utilized under sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, as amended. The local administrative areas designated under section 8 (b) of the Soil Conservation and Domestic Allotment Act, as amended, for the administration of programs under that Act, and the local administrative areas designated for the administration of this Act shall be the same.

49 Stat. 1148-1151.  
Local administrative areas.

Payments to county committees for administrative expenses.  
*Post*, p. 746.

(b) The Secretary is authorized and directed, from any funds made available for the purposes of the Acts in connection with which county committees are utilized, to make payments to county committees of farmers to cover the estimated administrative expenses incurred or to be incurred by them in cooperating in carrying out the provisions of such Acts. All or part of such estimated administrative expenses of any such committee may be deducted pro rata from the Soil Conservation Act payments, parity payments, or loans, or other payments under such Acts, made unless payment of such expenses is otherwise provided by law. The Secretary may

Pro rata deductions from payments.

make such payments to such committees in advance of determination of performance by farmers.

#### PERSONNEL

SEC. 389. The Secretary is authorized and directed to provide for the execution by the Agricultural Adjustment Administration of such of the powers conferred upon him by this Act as he deems may be appropriately exercised by such Administration; and for such purposes the provisions of law applicable to appointment and compensation of persons employed by the Agricultural Adjustment Administration shall apply.

Personnel.

#### SEPARABILITY

SEC. 390. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the validity of the remainder of the Act and the application of such provision to other persons or circumstances, and the provisions of the Soil Conservation and Domestic Allotment Act, as amended, shall not be affected thereby. Without limiting the generality of the foregoing, if any provision of this Act should be held not to be within the power of the Congress to regulate interstate and foreign commerce, such provision shall not be held invalid if it is within the power of the Congress to provide for the general welfare or any other power of the Congress. If any provision of this Act for marketing quotas with respect to any commodity should be held invalid, no provision of this Act for marketing quotas with respect to any other commodity shall be affected thereby. If the application of any provision for a referendum should be held invalid, the application of other provisions shall not be affected thereby. If by reason of any provision for a referendum the application of any such other provision to any person or circumstance is held invalid, the application of such other provision to other persons or circumstances shall not be affected thereby.

Separability provision.

#### PART II—APPROPRIATIONS AND ADMINISTRATIVE EXPENSES

##### APPROPRIATIONS

SEC. 391. (a) Beginning with the fiscal year ending June 30, 1938, there is hereby authorized to be appropriated, for each fiscal year for the administration of this Act and for the making of soil conservation and other payments such sums as Congress may determine, in addition to any amount made available pursuant to section 15 of the Soil Conservation and Domestic Allotment Act, as amended.

(b) For the administration of this Act (including the provisions of title V) during the fiscal year ending June 30, 1938, there is hereby authorized to be made available from the funds appropriated for such fiscal year for carrying out the purposes of sections 7 to 17 of the Soil Conservation and Domestic Allotment Act, as amended, a sum not to exceed \$5,000,000.

Part II—Appropriations and administrative expenses.

Appropriations for each fiscal year, authorized.

Sums additional to amount available.  
49 Stat. 1151.

Amount for administration, fiscal year 1938.  
*Post*, pp. 84, 744, 1126.

49 Stat. 1148-1151.

##### ADMINISTRATIVE EXPENSES

SEC. 392. (a) The Secretary is authorized and directed to make such expenditures as he deems necessary to carry out the provisions of this Act, including personal services and rents in the District of Columbia and elsewhere, traveling expenses (including the purchase, maintenance, and repair of passenger-carrying vehicles), supplies and equipment, law books, books of reference, directories, periodicals, and newspapers.

Administrative expenses.  
*Post*, p. 745.

Limitation on expenditure.  
49 Stat. 1148-1151;  
50 Stat. 329.  
16 U. S. C., Supp.  
III, § 590g-590q.

Deductions from payments or loans.

County, etc., committee personnel, names, etc., to be posted annually.

Allotment of appropriations.

Title IV—Cotton pool participation trust certificates.

Appropriation authorized.  
*Post*, p. 747.

Secretary authorized to draw any part or all of sum; deposit under special symbol number.

Sum available for cotton pool participation trust certificates.  
*Post*, p. 204.

(b) In the administration of this title, sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, as amended, and section 32, as amended, of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes", approved August 24, 1935, the aggregate amount expended in any fiscal year, beginning with the fiscal year ending June 30, 1939, for administrative expenses in the District of Columbia, including regional offices, shall not exceed 1 per centum of the total amount available for such fiscal year for carrying out such Acts, and the aggregate amount expended in any fiscal year for administrative expenses in the several States (not including the expenses of county and local committees) shall not exceed 2 per centum of the total amount available for such fiscal year for carrying out such Acts. In the event any administrative expenses of any county or local committee are deducted in any fiscal year, beginning with the fiscal year ending June 30, 1939, from Soil Conservation Act payments, parity payments, or loans, each farmer receiving benefits under such provisions shall be apprised, in the form of a statement to accompany the check evidencing such benefit payment or loan, of the amount or percentage deducted from such benefit payment or loan on account of such administrative expenses. The names and addresses of the members and employees of any county or local committee, and the amount of such compensation received by each of them, shall be posted annually in a conspicuous place in the area within which they are employed.

#### ALLOTMENT OF APPROPRIATIONS

SEC. 393. All funds for carrying out the provisions of this Act shall be available for allotment to bureaus and offices of the Department, and for transfer to such other agencies of the Federal Government, and to such State agencies, as the Secretary may request to cooperate or assist in carrying out the provisions of this Act.

#### TITLE IV—COTTON POOL PARTICIPATION TRUST CERTIFICATES

SEC. 401. There is hereby authorized to be appropriated, from any moneys in the Treasury of the United States not otherwise appropriated, the sum of \$1,800,000, or so much thereof as may be required by the Secretary to accomplish the purposes hereinafter declared and authorized. The Secretary of the Treasury is hereby authorized and directed to pay to, or upon the order of, the Secretary, such a part or all of the sum hereby authorized to be appropriated at the request of the Secretary.

SEC. 402. The Secretary is hereby authorized to draw from the Treasury of the United States any part or all of the sum hereby authorized to be appropriated, and to deposit same to his credit with the Treasurer of the United States, under special symbol number, to be available for disbursement for the purposes hereinafter stated.

SEC. 403. The Secretary is hereby authorized to make available, from the sum hereby authorized to be appropriated, to the manager of the cotton pool, such sum or sums as may be necessary to enable the manager to purchase, take up, and cancel, subject to the restrictions hereinafter reserved, pool participation trust certificates, form C-5-I, where such certificates shall be tendered to the manager, cotton pool, by the person or persons shown by the records of the Department to have been the lawful holder and owner thereof on

May 1, 1937, the purchase price to be paid for the certificates so purchased to be at the rate of \$1 per five-hundred-pound bale for every bale or fractional part thereof represented by the certificates C-5-I. The Secretary is further authorized to pay directly, or to advance to, the manager of the cotton pool, to enable him to pay costs and expenses incident to the purchase of certificates as aforesaid, and any balance remaining to the credit of the Secretary, or the manager, cotton pool, not required for the purchase of these certificates in accordance with provisions of this Act, shall, at the expiration of the purchase period, be covered into the Treasury of the United States as miscellaneous receipts.

SEC. 404. The authority of the manager, cotton pool, to purchase and pay for certificates hereunder shall extend to and include the 31st day of July 1938: *Provided*, That after expiration of the said limit, the purchase may be consummated of any certificates tendered to the manager, cotton pool, on or before July 31, 1938, but where for any reason the purchase price shall not have been paid by the manager, cotton pool. The Secretary is authorized to promulgate such rules, regulations, and requirements as in his discretion are proper to effectuate the general purposes of this title, which purpose is here stated to be specifically to authorize the purchase of outstanding pool participation trust certificates, form C-5-I, for a purchase price to be determined at the rate of \$1 per bale, or twenty one-hundredths cent per pound, for the cotton evidenced by the said certificates, provided such certificates be tendered by holders thereof in accordance with regulations prescribed by the Secretary not later than the 31st day of July 1938, and provided such certificates may not be purchased from persons other than those shown by the records of the Department to have been holders thereof on or before the 1st day of May 1937.

SEC. 405. The Secretary is authorized to continue in existence the 1933 cotton producers pool so long as may be required to effectuate the purposes of this title. All expense incident to the accomplishment of purposes of this title may be paid from funds hereby authorized to be appropriated, for which purpose the fund hereby authorized to be appropriated shall be deemed as supplemental to such funds as are now to the credit of the Secretary, reserved for the purpose of defraying operating expenses of the pool.

SEC. 406. After expiration of the time limit herein established, the certificates then remaining outstanding and not theretofore tendered to the manager, cotton pool, for purchase, shall not be purchased and no obligation on account thereof shall exist.

SEC. 407. Nothing in this title shall be construed to authorize the manager, cotton pool, to pay the assignee or any holder of such cotton pool participation trust certificates, form C-5-I, transferred on or before May 1, 1937, as shown by the records of the Department of Agriculture, more than the purchase price paid by the assignee or holder of such certificate or certificates with interest at the rate of 4 per centum per annum from the date of purchase, provided the amount paid such assignee shall not exceed \$1 per bale. Before making payment to any assignee, whose certificates were transferred on or before May 1, 1937, such assignee shall file with the manager, cotton pool, an affidavit showing the amount paid by him for such certificate and the date of such payment, and the manager, cotton pool, is authorized to make payment to such assignee based upon the facts stated in said affidavit as aforesaid.

Purchase price.

Costs and incidental expenses.

Balance covered into Treasury.

Purchase and payment for certificates; time limitation.  
*Post*, p. 204.  
*Proviso*.  
Consummation after expiration of time limit.

Rules, regulations, etc.

Continuation of 1933 pool.

Payment of expenses.

Certificates outstanding, etc., after expiration of time limit.

Payment to assignee, etc.; restriction.  
*Post*, p. 204.

Title V—Crop insurance.

## TITLE V—CROP INSURANCE

### SHORT TITLE AND APPLICATION OF OTHER PROVISIONS

Short title; application of other provisions.

SEC. 501. This title may be cited as the "Federal Crop Insurance Act". Except as otherwise expressly provided the provisions in titles I to IV, inclusive, shall not apply with respect to this title, and the term "Act" wherever it appears in such titles shall not be construed to include this title.

### DECLARATION OF PURPOSE

Declaration of purpose.

SEC. 502. It is the purpose of this title to promote the national welfare by alleviating the economic distress caused by wheat-crop failures due to drought and other causes, by maintaining the purchasing power of farmers, and by providing for stable supplies of wheat for domestic consumption and the orderly flow thereof in interstate commerce.

Federal Crop Insurance Corporation; creation, principal, etc., offices.

SEC. 503. To carry out the purposes of this title, there is hereby created as an agency of and within the Department of Agriculture a body corporate with the name "Federal Crop Insurance Corporation" (herein called the Corporation). The principal office of the Corporation shall be located in the District of Columbia, but there may be established agencies or branch offices elsewhere in the United States under rules and regulations prescribed by the Board of Directors.

Capital stock.

### CAPITAL STOCK

Amount, subscription, etc.  
*Post*, p. 747.

SEC. 504. (a) The Corporation shall have a capital stock of \$100,000,000 subscribed by the United States of America, payment for which shall, with the approval of the Secretary of Agriculture, be subject to call in whole or in part by the Board of Directors of the Corporation.

Stock impairment restoration.

Any impairment of the capital stock described in this subsection shall be restored only out of operating profits of the Corporation.

Sum authorized for purchase of stock.

(b) There is hereby authorized to be appropriated not more than \$100,000,000 for the purpose of subscribing to said stock. No part of such sum shall be available prior to July 1, 1938. The appropriation for such purpose for the fiscal year ending June 30, 1939, shall not exceed \$20,000,000 and shall be made only out of the unexpended balances for the fiscal year ending June 30, 1938, of the sums appropriated pursuant to section 15 of the Soil Conservation and Domestic Allotment Act, as amended.

Limitation on appropriations to be made.

(c) Receipts for payments by the United States of America for or on account of such stock shall be issued by the Corporation to the Secretary of the Treasury and shall be evidence of the stock ownership by the United States of America.

49 Stat. 1151.  
16 U. S. C., Supp. III, § 590b.  
Receipts for U. S. payments.

Management of Corporation.

### MANAGEMENT OF CORPORATION

Board of Directors.

SEC. 505. (a) The management of the Corporation shall be vested in a Board of Directors (hereinafter called the "Board") subject to the general supervision of the Secretary of Agriculture. The Board shall consist of three persons employed in the Department of Agriculture who shall be appointed by and hold office at the pleasure of the Secretary of Agriculture.

Composition, appointment.

(b) Vacancies in the Board so long as there shall be two members in office shall not impair the powers of the Board to execute the functions of the Corporation, and two of the members in office shall constitute a quorum for the transaction of the business of the Board.

Vacancies, quorum, etc.

(c) The Directors of the Corporation appointed as hereinbefore provided shall receive no additional compensation for their services as such directors but may be allowed actual necessary traveling and subsistence expenses when engaged in business of the Corporation outside of the District of Columbia.

(d) The Board shall select, subject to the approval of the Secretary of Agriculture, a manager, who shall be the executive officer of the Corporation with such power and authority as may be conferred upon him by the Board.

#### GENERAL POWERS

SEC. 506. The Corporation—

(a) shall have succession in its corporate name;

(b) may adopt, alter, and use a corporate seal, which shall be judicially noticed;

(c) may make contracts and purchase or lease and hold such real and personal property as it deems necessary or convenient in the transaction of its business, and may dispose of such property held by it upon such terms as it deems appropriate;

(d) subject to the provisions of section 508 (c), may sue and be sued in its corporate name in any court of competent jurisdiction, State or Federal: *Provided*, That no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Corporation or its property;

(e) may adopt, amend, and repeal bylaws, rules, and regulations governing the manner in which its business may be conducted and the powers granted to it by law may be exercised and enjoyed;

(f) shall be entitled to the free use of the United States mails in the same manner as the other executive agencies of the Government;

(g) with the consent of any board, commission, independent establishment, or executive department of the Government, including any field service thereof, may avail itself of the use of information, services, facilities, officials, and employees thereof in carrying out the provisions of this title;

(h) may conduct researches, surveys, and investigations relating to crop insurance for wheat and other agricultural commodities;

(i) shall determine the character and necessity for its expenditures under this title and the manner in which they shall be incurred, allowed, and paid, without regard to the provisions of any other laws governing the expenditure of public funds and such determinations shall be final and conclusive upon all other officers of the Government; and

(j) shall have such powers as may be necessary or appropriate for the exercise of the powers herein specifically conferred upon the Corporation and all such incidental powers as are customary in corporations generally.

#### PERSONNEL

SEC. 507. (a) The Secretary shall appoint such officers and employees as may be necessary for the transaction of the business of the Corporation, which appointments may be made without regard to the civil-service laws and regulations, fix their compensation in accordance with the provisions of the Classification Act of 1923, as amended, define their authority and duties, delegate to them such of the powers vested in the Corporation as he may determine, require bond of such of them as he may designate, and fix the penalties and pay the premiums of such bonds. The appointment of officials and the selection of employees by the Secretary shall be made only on the basis of merit and efficiency.

Compensation, expenses.

Manager.

General powers.

Corporate name.

Seal.

Contracts, property holdings, etc.

May sue and be sued.

*Post*, p. 74.

*Proviso*.

Attachments, injunctions, etc.

Bylaws, rules, etc.

Franking privilege.

Use of facilities, etc., of Government agencies.

Researches, surveys, etc.

Expenditures.

Powers customary in corporations.

Personnel.

Appointment without regard to civil-service laws.

Compensation according to Classification Act.

5 U. S. C. §§ 661-674; Supp. III, §§ 673, 673c.

Appointments based on merit.



Benefits of Employees' Compensation Act extended to employees.  
29 Stat. 742.  
5 U. S. C. §§ 751-796.

Producer committees, utilization in administration of Act. Expenses.

Allotment of funds.

Post, p. 77.  
Producer-owned, etc., cooperative associations.

Crop insurance.

Authority of Corporation to insure wheat against losses due to unavoidable causes.  
Post, p. 835.

Proviso.  
Terms, coverage provisions, etc.

Minimum and maximum amount.

Condition.

Premiums.

Collection.

Claims, adjustment and payment.

(b) Insofar as applicable, the benefits of the Act entitled "An Act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended, shall extend to persons given employment under the provisions of this title, including the employees of the committees and associations referred to in subsection (c) of this section and the members of such committees.

(c) The Board may establish or utilize committees or associations of producers in the administration of this title and make payments to such committees or associations to cover the estimated administrative expenses to be incurred by them in cooperating in carrying out this title and may provide that all or part of such estimated expenses may be included in the insurance premiums provided for in this title.

(d) The Secretary of Agriculture may allot to bureaus and offices of the Department of Agriculture or transfer to such other agencies of the State and Federal Governments as he may request to assist in carrying out this title any funds made available pursuant to the provisions of section 516 of this Act.

(e) In carrying out the provisions of this title the Board may, in its discretion, utilize producer-owned and producer-controlled cooperative associations.

#### CROP INSURANCE

SEC. 508. To carry out the purposes of this title the Corporation is authorized and empowered—

(a) Commencing with the wheat crop planted for harvest in 1939, to insure, upon such terms and conditions not inconsistent with the provisions of this title as it may determine, producers of wheat against loss in yields of wheat due to unavoidable causes, including drought, flood, hail, wind, winterkill, lightning, tornado, insect infestation, plant disease, and such other unavoidable causes as may be determined by the Board: *Provided, however,* That for the first three years of operation under this title contracts of insurance shall not be made for periods longer than one year. Such insurance shall not cover losses due to the neglect or malfeasance of the producer or to the failure of the producer to reseed in areas and under circumstances where it is customary to reseed. Such insurance shall cover not less than 50 or more than 75 per centum, to be determined by the Board, of the recorded or appraised average yield of wheat on the insured farm for a representative base period subject to such adjustments as the Board may prescribe to the end that the average yields fixed for farms in the same area, which are subject to the same conditions, may be fair and just. The Board may condition the issuance of such insurance in any county or area upon a minimum amount of participation in a program of crop insurance formulated pursuant to this title.

(b) To fix adequate premiums for such insurance, payable either in wheat or cash equivalent as of the due date thereof, on the basis of the recorded or appraised average crop loss of wheat on the insured farm for a representative base period subject to such adjustments as the Board may prescribe to the end that the premiums fixed for farms in the same area, which are subject to the same conditions, may be fair and just. Such premiums shall be collected at such time or times, in such manner, and upon such security as the Board may determine.

(c) To adjust and pay claims for losses either in wheat or in cash equivalent under rules prescribed by the Board. In the event that any claim for indemnity under the provisions of this title is denied

by the Corporation an action on such claim may be brought against the Corporation in the district court of the United States in and for the district in which the insured farm is located, and exclusive jurisdiction is hereby conferred upon such courts to determine such controversies without regard to the amount in controversy: *Provided*, That no suit on such claim shall be allowed under this section unless the same shall have been brought within one year after the date when notice of denial of the claim is mailed to the claimant.

*Proviso.*  
Time for filing suit.

(d) From time to time, in such manner and through such agencies as the Board may determine, to purchase, handle, store, insure, provide storage facilities for, and sell wheat, and pay any expenses incidental thereto, it being the intent of this provision, however, that, insofar as practicable, the Corporation shall purchase wheat only at the rate and to a total amount equal to the payment of premiums in cash by farmers or to replace promptly wheat sold to prevent deterioration; and shall sell wheat only to the extent necessary to cover payments of indemnities and to prevent deterioration: *Provided, however*, That nothing in this section shall prevent prompt offset purchases and sales of wheat for convenience in handling. The restriction on the purchase and sale of wheat provided in this section shall be made a part of any crop insurance agreement made under this title. Notwithstanding any provision of this title, there shall be no limitation upon the legal or equitable remedies available to the insured to enforce against the Corporation the foregoing restriction with respect to purchases and sales of wheat.

Additional powers  
of Board.

*Proviso.*  
Offset purchases and  
sales.

#### INDEMNITIES EXEMPT FROM LEVY

SEC. 509. Claims for indemnities under this title shall not be liable to attachment, levy, garnishment, or any other legal process before payment to the insured or to deduction on account of the indebtedness of the insured or his estate to the United States except claims of the United States or the Corporation arising under this title.

Indemnities exempt  
from levy.

#### DEPOSIT OF FUNDS

SEC. 510. All money of the Corporation not otherwise employed may be deposited with the Treasurer of the United States or in any bank approved by the Secretary of the Treasury, subject to withdrawal by the Corporation at any time, or with the approval of the Secretary of the Treasury may be invested in obligations of the United States or in obligations guaranteed as to principal and interest by the United States. Subject to the approval of the Secretary of the Treasury, the Federal Reserve banks are hereby authorized and directed to act as depositories, custodians, and fiscal agents for the Corporation in the performance of its powers conferred by this title.

Deposit of funds.

Depositories.

#### TAX EXEMPTION

SEC. 511. The Corporation, including its franchise, its capital, reserves, and surplus, and its income and property, shall be exempt from all taxation now or hereafter imposed by the United States or by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority.

Tax exemption.

#### FISCAL AGENT OF GOVERNMENT

SEC. 512. When designated for that purpose by the Secretary of the Treasury, the Corporation shall be a depository of public money, except receipts from customs, under such regulations as may be pre-

Fiscal agent of Gov-  
ernment.

scribed by said Secretary; and it may also be employed as a financial agent of the Government; and it shall perform all such reasonable duties, as a depository of public money and financial agent of the Government, as may be required of it.

#### ACCOUNTING BY CORPORATION

**Accounting.** SEC. 513. The Corporation shall at all times maintain complete and accurate books of account and shall file annually with the Secretary of Agriculture a complete report as to the business of the Corporation. The financial transactions of the Corporation shall be audited at least once each year by the General Accounting Office for the sole purpose of making a report to Congress, together with such recommendations as the Comptroller General of the United States may deem advisable: *Provided*, That such report shall not be made until the Corporation shall have had reasonable opportunity to examine the exceptions and criticisms of the Comptroller General or the General Accounting Office, to point out errors therein, explain or answer the same, and to file a statement which shall be submitted by the Comptroller General with his report.

**Annual audit.  
Report to Congress.**

**Proviso.  
Prior examination.**

#### Crimes and offenses.

#### CRIMES AND OFFENSES

**False, etc., statements.** SEC. 514. (a) Whoever makes any statement knowing it to be false, or whoever willfully overvalues any security, for the purpose of influencing in any way the action of the Corporation, or for the purpose of obtaining for himself or another money, property, or anything of value, under this title, shall be punished by a fine of not more than \$5,000 or by imprisonment for not more than two years, or both.

**Penalty.**

**Speculating in any agricultural commodity, etc.** (b) No person shall, while acting in any official capacity in the administration of this title, speculate, directly or indirectly, in any agricultural commodity or product thereof, to which this title applies, or in contracts relating thereto, or in the stock or membership interests of any association or corporation engaged in handling, processing, or disposing of any such commodity or product. Any person violating this subsection shall upon conviction thereof be fined not more than \$10,000 or imprisoned not more than two years, or both.

**Penalty.**

**Embezzlement, etc.** (c) Whoever, being connected in any capacity with the Corporation, (1) embezzles, abstracts, purloins, or willfully misapplies any moneys, funds, securities, or other things of value, whether belonging to the Corporation or pledged or otherwise entrusted to it; or (2) with intent to defraud the Corporation, or any other body politic or corporate, or any individual, or to deceive any officer, auditor, or examiner of the Corporation, makes any false entry in any book, report, or statement of, or to, the Corporation or draws any order, or issues, puts forth, or assigns any note or other obligation or draft, mortgage, judgment, or decree thereof; or (3) with intent to defraud the Corporation, participates or shares in or receives directly or indirectly any money, profit, property, or benefits through any transaction, loan, commission, contract, or any other act of the Corporation, shall be punished by a fine of not more than \$10,000 or by imprisonment for not more than five years, or both.

**Penalty.**

**Concealment, etc., of property held by Corporation as security.** (d) Whoever willfully shall conceal, remove, dispose of, or convert to his own use or to that of another, any property mortgaged or pledged to, or held by, the Corporation, as security for any obligation, shall be punished by a fine of not more than \$5,000 or by imprisonment for not more than two years, or both.

**Penalty.**

(e) Whoever conspires with another to accomplish any of the acts made unlawful by the preceding provisions of this section shall, on conviction thereof, be subject to the same fine or imprisonment, or both, as is applicable in the case of conviction for doing such unlawful act.

(f) The provisions of sections 112, 113, 114, 115, 116, and 117 of the Criminal Code of the United States (U. S. C., title 18, secs. 202 to 207, inclusive) insofar as applicable, are extended to apply to contracts or agreements with the Corporation under this title: *Provided, however,* That the provisions of section 3741 of the Revised Statutes (U. S. C., title 41, sec. 22) and sections 114 and 115 of the Criminal Code of the United States shall not apply to any crop-insurance agreements made under this title.

Conspiracy.

Application of designated sections of Criminal Code.  
18 U. S. C. §§ 202-207.

*Proviso.*  
Interest of Members of Congress.  
R. S. § 3741.  
41 U. S. C. § 22.  
18 U. S. C. §§ 204, 205.

#### ADVISORY COMMITTEE

SEC. 515. The Secretary of Agriculture is authorized to appoint from time to time an advisory committee, consisting of not more than five members experienced in agricultural pursuits and appointed with due consideration to their geographical distribution, to advise the Corporation with respect to carrying out the purposes of this title. The compensation of the members of such committee shall be determined by the Board but shall not exceed \$10 per day each while actually employed and actual necessary traveling and subsistence expenses, or a per diem allowance in lieu thereof.

Advisory committee.

Compensation.

#### APPROPRIATIONS AND REGULATIONS

SEC. 516. (a) There are hereby authorized to be appropriated such sums, not in excess of \$6,000,000 for each fiscal year beginning after June 30, 1938, as may be necessary to cover the operating and administrative costs of the Corporation, which shall be allotted to the Corporation in such amounts and at such time or times as the Secretary of Agriculture may determine: *Provided,* That expenses in connection with the purchase, transportation, handling, or sale of wheat may be considered by the Corporation as being nonadministrative or nonoperating expenses. For the fiscal year ending June 30, 1939, the appropriation authorized under this subsection is authorized to be made only out of the unexpended balances for the fiscal year ending June 30, 1938, of the sums appropriated pursuant to section 15 of the Soil Conservation and Domestic Allotment Act, as amended.

Appropriations authorized.  
*Post*, p. 716

*Proviso.*  
Certain expenses deemed nonadministrative.

Amount for fiscal year 1939.

49 Stat. 1151.  
16 U. S. C., Supp. 111, § 590c.  
Regulations.

(b) The Secretary and the Corporation, respectively, are authorized to issue such regulations as may be necessary to carry out the provisions of this title.

#### SEPARABILITY

SEC. 517. The sections of this title and subdivisions of sections are hereby declared to be separable, and in the event any one or more sections or parts of the same of this title be held to be unconstitutional, the same shall not affect the validity of other sections or parts of sections of this title.

Separability.

#### RIGHT TO AMEND

SEC. 518. The right to alter, amend, or repeal this title is hereby reserved.

Right to amend.

Approved, February 16, 1938, 3 p. m.

## [CHAPTER 31]

## AN ACT

February 18, 1938  
[S. 2194]

[Public, No. 431]

To provide for the annual inspection of all motor vehicles in the District of Columbia.

Motor vehicles, Dis-  
trict of Columbia.  
Inspection fee for  
1939; thereafter.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That at the time of the registration of each motor vehicle there shall be levied and collected a fee known as the "inspection fee" of \$1 for the calendar year 1939 for each motor vehicle registered in the District of Columbia, including electrics, and that during 1940 and each year thereafter inspection fee thus levied shall be 50 cents on each vehicle.

Payment to collec-  
tor of taxes.

SEC. 2. The inspection fee shall be paid to the collector of taxes and shall be deposited in the Treasury of the United States to the credit of the special fund created by the Act entitled "An Act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes", approved April 23, 1924, and the Act entitled "An Act to provide additional revenue for the District of Columbia, and for other purposes", approved August 17, 1937.

43 Stat. 106.

50 Stat. 676.

Inclusion of esti-  
mates of expenses in  
estimates for District  
of Columbia.  
Post, p. 1124.

SEC. 3. The annual estimates of appropriations for the government of the District of Columbia for the fiscal year 1939 and succeeding fiscal years shall include estimates of appropriations for the construction and/or rental and/or leasing of ground and buildings, the purchase of equipment and supplies, and the payment of salaries of mechanics, laborers, clerks, and other employees to carry out the annual inspection of all motor vehicles in the District of Columbia.

Motor vehicles of  
Federal Government,  
District government,  
and representatives of  
foreign governments.

SEC. 4. All motor vehicles owned and officially used by the Government of the United States or by the government of the District of Columbia or by the representatives of foreign governments, shall be subject to annual inspection, such inspections to be furnished without charge.

Authority to refuse,  
revoke, or suspend  
registration.

SEC. 5. The Commissioners of the District of Columbia or their designated agent may refuse to register any motor vehicle or trailer which has not been inspected as required, or which is unsafe or improperly equipped, or otherwise unfit to be operated, and for like reason they may revoke or suspend any registration already made: *Provided*, That the provisions of section 13 (a) of the Traffic Acts, District of Columbia, shall be applicable in all cases where registration is refused, revoked, or suspended under the terms of this Act.

*Proviso.*  
Application of des-  
ignated provisions.  
44 Stat. 814.

Penalty for viola-  
tion.

SEC. 6. Any individual, partnership, firm, or corporation found guilty of using or permitting the use of any unregistered motor vehicle or trailer, or who is found guilty of using or permitting the use of the same during the period for which any such vehicle's registration is revoked or suspended under the terms of this Act shall, for each such offense, be fined not more than \$300.

Administrative reg-  
ulations.

SEC. 7. The Commissioners of the District of Columbia shall make such regulations as in their judgment are necessary for the administration of this Act, and may affix thereto such reasonable fines and penalties as in their judgment are necessary to enforce such regulations.

Approved, February 18, 1938.

## [CHAPTER 32]

## AN ACT

To authorize the Secretary of the Treasury to cancel obligations of the Reconstruction Finance Corporation incurred in supplying funds for relief at the authorization or direction of Congress, and for other purposes.

February 24, 1938

[H. R. 9379]

[Public, No. 432]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Treasury is authorized and directed to cancel notes of the Reconstruction Finance Corporation (which notes are hereby made available to the Secretary of the Treasury for the purposes of this section) and all sums due and unpaid upon or in connection with such notes at the time of such cancelation and discharge in a principal amount equal to the outstanding funds of the Reconstruction Finance Corporation heretofore or hereafter disbursed under or by reason of the provisions set forth in—

(a) Section 2 of Reconstruction Finance Corporation Act, approved January 22, 1932 (47 Stat. 5), as amended; Act approved February 4, 1933 (47 Stat. 795); section 1 (a) to (d) and last sentence of section 201 (e) of Emergency Relief and Construction Act of 1932, approved July 21, 1932 (47 Stat. 709); section 1 (e) of Emergency Relief and Construction Act of 1932, approved July 21, 1932 (47 Stat. 711), and any amendatory or supplementary legislation; section 5 of Farm Credit Act of 1933, approved June 16, 1933 (48 Stat. 258), as amended; section 5 of Agricultural Adjustment Act, approved May 12, 1933 (48 Stat. 33), as amended; sections 30 (a), 32, and 37 of Emergency Farm Mortgage Act of 1933, approved May 12, 1933 (48 Stat. 46, 48, and 50), as amended; section 4 of Home Owners' Loan Act of 1933, approved June 13, 1933 (48 Stat. 129); Federal Emergency Relief Act of 1933, approved May 12, 1933 (48 Stat. 55); first paragraph of title II of Emergency Appropriation Act, fiscal year 1935, approved June 19, 1934 (48 Stat. 1055); section 4 of National Housing Act, approved June 27, 1934 (48 Stat. 1247); Emergency Relief Appropriation Act of 1935, approved April 8, 1935 (49 Stat. 115); section 3 of Federal Farm Mortgage Corporation Act, approved January 31, 1934 (48 Stat. 345); section 33 of Farm Credit Act of 1937, approved August 19, 1937 (50 Stat. 717); and

(b) First sentence of section 201 (e) of Emergency Relief and Construction Act of 1932, approved July 21, 1932 (47 Stat. 713); section 84 of Farm Credit Act of 1933, approved June 16, 1933 (48 Stat. 273), as amended; Act approved April 10, 1936 (49 Stat. 1191); Act approved February 11, 1937 (50 Stat. 19);

together with expenses incurred by Reconstruction Finance Corporation in connection with section 1 of the Emergency Relief and Construction Act of 1932, as amended; and together with the interest paid to the Treasury thereon in the amount of \$33,177,491.82: *Provided*, That any evidence of indebtedness with respect to funds disbursed by Reconstruction Finance Corporation under or by reason of the provisions of law referred to in subsection (a) hereof be transferred to the Secretary of the Treasury: *Provided further*, That with respect to funds heretofore or hereafter disbursed by Reconstruction Finance Corporation under or by reason of the provisions of law referred to in subsection (b) hereof, notes shall be canceled by the Secretary of the Treasury only upon the transfer and delivery by the Reconstruction Finance Corporation to the Secretary of the Treasury or to such officer, officers, agency, or agencies as the President shall designate, of all such capital stock as the

Reconstruction Finance Corporation.  
Cancelation of obligations incurred for relief, etc., purposes.

## Funds designated.

47 Stat. 5; 49 Stat. 2;  
15 U. S. C. § 602; Supp.  
111, § 604b.

47 Stat. 795.  
47 Stat. 709-710, 713;  
15 U. S. C. § 605a; 12  
U. S. C. § 1148.  
47 Stat. 711; 15 U. S.  
C. § 605a (e).

48 Stat. 258, 358; 12  
U. S. C. § 1131i.  
48 Stat. 33, 1059; 7  
U. S. C. § 605.  
48 Stat. 46, 48, 50; 49  
Stat. 313; 12 U. S. C.  
§§ 823, 1016; Supp. III,  
§§ 823, 1016; 43 U. S. C.  
§ 404.

48 Stat. 129; 12 U. S.  
C. § 1463; Supp. III,  
§ 1463.

48 Stat. 55; 15 U. S.  
C. § 721-728.

48 Stat. 1055.  
48 Stat. 1247; 12  
U. S. C. § 1705.

49 Stat. 115.  
48 Stat. 345; 12 U. S.  
C. § 1020b.

50 Stat. 717; 12 U. S.  
C., Supp. III, § 1148c.

47 Stat. 713; 12 U. S.  
C. § 1143.

48 Stat. 273; 12 U. S.  
C. § 1148a.

49 Stat. 1191.  
50 Stat. 19; 15 U. S. C.,  
Supp. III, § 605k-1.

*Provisos.*  
Evidence of indebtedness transferred to Treasury.

Conditions affecting cancelation of notes.

Adjustments authorized.

Reduction in amount of obligations authorized to be outstanding.

Sums representing repayments of funds disbursed to be covered in.

Exception.

Directors; number.  
47 Stat. 5.  
15 U. S. C. § 603;  
Supp. III, § 603.

Reconstruction Finance Corporation may hold pursuant to any provision of law referred to in said subsection (b): *Provided further*, That the Secretary of the Treasury and the Reconstruction Finance Corporation are authorized and directed to make adjustments on their books and records as may be necessary to carry out the purposes of this Act.

SEC. 2. The amount of notes, debentures, bonds, or other such obligations which the Reconstruction Finance Corporation is authorized and empowered to have outstanding at any one time under the provisions of law referred to in subsections (a) and (b) of section 1 of this Act is correspondingly reduced by the amount of the notes authorized to be canceled by the Secretary of the Treasury pursuant to section 1 of this Act.

SEC. 3. Any sums at any time received by any agency of the United States, including the Reconstruction Finance Corporation, representing repayments or recoveries of funds disbursed out of amounts allocated or made available pursuant to any of the provisions of law referred to in section 1 hereof, shall forthwith be covered into the general fund of the Treasury, except that whenever, under applicable provisions of law or otherwise, such funds represent amounts which continue to be available or required to be expended for the purposes for which originally allocated or made available, such funds shall not be covered into the general fund of the Treasury until the expiration of the period during which they are so available or required to be expended.

SEC. 4. Section 3 of the Reconstruction Finance Corporation Act, approved January 22, 1932, as amended (U. S. C., 1934 ed., title 15, sec. 601, and the following), is further amended by striking out the first two sentences of such section and inserting in lieu thereof the following: "The management of the Corporation shall be vested in a board of directors consisting of five persons appointed by the President of the United States by and with the advice and consent of the Senate. Of the five members of the board not more than three shall be members of any one political party and not more than one shall be appointed from any one Federal Reserve district."

Approved, February 24, 1938.

#### [CHAPTER 33]

#### AN ACT

February 24, 1938  
[S. 558]  
[Public, No. 433]

Amending Acts fixing the rate of payment of irrigation construction costs on the Wapato Indian irrigation project, Yakima, Washington, and for other purposes.

Yakima Indian Reservation, Wash.  
Wapato irrigation project.  
41 Stat. 431; 42 Stat. 595.  
Construction charges.

Assessment rate.

Effective date and duration.

Annual repayment schedule, modification.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That so much of the Act approved February 14, 1920 (41 Stat. 431), as amended by the Act approved May 25, 1922 (42 Stat. L. 595 and 596), as fixes the annual rate of payment of irrigation construction costs or assessments on the Wapato Indian irrigation project on the Yakima Reservation in the State of Washington, be, and it is hereby, amended so as to fix the per-acre per-annum assessment rate at \$1.25 against those lands classed as A or B which are subject to construction assessments pursuant to existing law. Such rate is to take effect immediately upon approval of this Act and shall continue until the total cost assessable under existing law against such of the A and B lands shall have been repaid.

SEC. 2. The Secretary of the Interior is hereby authorized and directed to modify the annual repayment schedule set forth in the

memorandum agreement of March 9, 1921, approved March 31, 1921, as amended, wherein provision is made among other things for payment of the actual cost of the two hundred and fifty thousand acre-feet of water for certain of the lands under the Wapato Indian irrigation project so as to extend payment of the balance of the cost of such water over a twenty-four-year period commencing with the payment due December 31, 1937.

Approved, February 24, 1938.

## [CHAPTER 34]

## AN ACT

To amend the Act authorizing the Attorney General to compromise suits on certain contracts of insurance.

February 24, 1938  
[S. 2353]

[Public, No. 434]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the sixth paragraph following the subtitle "Veterans' Administration" in the Independent Offices Appropriation Act, 1934, approved June 16, 1933 (48 Stat. 283, ch. 101), be, and the same is hereby, amended to read as follows:*

Veterans' Adminis-  
tration.  
48 Stat. 300.  
38 U. S. C. § 445b.

*"That the Attorney General of the United States is hereby authorized to agree to a judgment to be rendered by the presiding judge of the United States court having jurisdiction of the case, pursuant to compromise approved by the Attorney General upon the recommendation of the United States attorney charged with the defense, upon such terms and for sums within the amount claimed to be payable, in any suit brought under the provisions of the World War Veterans' Act, 1924, as amended, on a contract of yearly, renewable term insurance which may be now pending or hereafter may be filed, and the Administrator of Veterans' Affairs is hereby authorized and directed to make payments in accordance with any such judgment: Provided, That the Comptroller General of the United States is hereby authorized and directed to allow credit in the accounts of disbursing officers of the Veterans' Administration for all payments of insurance made in accordance with any such judgment: Provided further, That all such judgments shall constitute final settlement of the claim and no appeal therefrom shall be authorized."*

Compromise judg-  
ments; yearly, renew-  
able term insurance.

43 Stat. 607.  
38 U. S. C. § 421.

*Prorisos.*  
Credit allowed in  
accounts for payments  
made.

Judgments to con-  
stitute final settle-  
ment of claim.

Approved, February 24, 1938.

## [CHAPTER 35]

## AN ACT

To exempt from taxation certain property of the Society of the Cincinnati, a corporation of the District of Columbia.

February 24, 1938  
[H. R. 9024]

[Public, No. 435]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title 20 of the Code of the District of Columbia (to March 4, 1921) be amended by adding to such title a paragraph numbered ( )<sup>1</sup> as follows:*

District of Colum-  
bia.

*"The property situated in square numbered 67, in the city of Washington, District of Columbia, described as lot numbered 42, as per plat recorded in the office of the surveyor for the District of Columbia in liber 27 at folio 135; lot numbered 43, as per plat recorded in said surveyor's office in liber 28 at folio 25; lot numbered 49 as per plat recorded in said surveyor's office in liber 40 at folio 15; and part of original lot numbered 5 described as follows: Beginning for the same at the northeast corner of said lot*

Society of the Cin-  
cinnati; certain prop-  
erty exempted from  
taxation.  
Description.

<sup>1</sup> So in original.



19 Stat. 399.  
20 D. C. Code § 712.

Maintenance of national museum.

Effective date.

and running thence west along the south line of a public alley thirty feet wide forty-seven and seventeen one-hundredths feet to the east line of another public alley, thirty feet wide; thence south along the east line of said alley seventy-four feet; thence east forty-seven and seventeen one-hundredths feet to the west line of a public alley fifteen feet wide; thence north along the west line of said alley seventy-four feet to the place of beginning, occupied by the Society of the Cincinnati, a corporation of the District of Columbia, with all the buildings and improvements thereon, and the contents thereof are hereby exempt from all taxes so long as the same is so occupied and used, subject to the provisions of section 712 of this title, providing for the exemption of church and school property, subject to the proviso that said society shall maintain therein a national museum for the custody and preservation of historical documents, relics, and archives, especially those pertaining to the American Revolution, which museum shall be accessible to the public at such reasonable hours and under such regulations as may, from time to time, be prescribed by said society; and subject to the further proviso that if any part of said property is sold, then the exemption as to said part and said part only shall determine and if any part of said property is leased then the exemption shall cease for so long and so long only as said part is so leased. This exemption to become effective on the date of the passage of this Act."

Approved, February 24, 1938.

#### [CHAPTER 36]

#### AN ACT

February 25, 1938

[S. 623]

[Public, No. 436]

To provide for the construction and equipment of a building for the experiment station of the Bureau of Mines at Salt Lake City, Utah.

Bureau of Mines.  
Construction, etc.,  
of building for experiment station, authorized.  
Location, cost, etc.

Proviso.  
Donation of adjacent site.

Appropriation authorized.  
Post, p. 1134.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Interior be, and he is hereby, authorized and directed to enter into a contract or contracts for the erection and equipment of a building or buildings on a site adjacent to the campus of the University of Utah at Salt Lake City, Utah, suitable for use by the Bureau of Mines for the mining experiment station at Salt Lake City, at a cost not to exceed \$300,000, including plumbing, lighting, heating, and other general-service equipment and necessary roads, walks, and ground improvement: *Provided*, That a site adjacent to said campus, acceptable to the Secretary of the Interior, is donated and conveyed by deed giving absolute title to the United States Government.

SEC. 2. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$300,000 for carrying out the purposes of this Act.

Approved, February 25, 1938.

#### [CHAPTER 37]

#### AN ACT

February 28, 1938

[S. 2381]

[Public, No. 437]

To amend the Criminal Code by providing punishment for impersonation of officers and employees of Government-owned and Government-controlled corporations.

Criminal Code amendment.  
35 Stat. 1095.  
18 U. S. C. § 76.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 32 of the Criminal Code (Act of March 4, 1909, ch. 321, sec. 32; 35 Stat. 1095; U. S. C., title 18, sec. 76) be amended to read as follows:

"Whoever, with intent to defraud either the United States or any person, shall falsely assume or pretend to be an officer or employee acting under the authority of the United States, or any department, or any officer of the Government thereof, or under the authority of any corporation owned or controlled by the United States, and shall take upon himself to act as such, or shall in such pretended character demand or obtain from any person or from the United States, or any department, or any officer of the Government thereof, or any corporation owned or controlled by the United States, any money, paper, document, or other valuable thing, shall be fined not more than \$1,000 or imprisoned not more than three years, or both."

Approved, February 28, 1938.

Impersonation of officers and employees of United States with intent to defraud.

Government-owned, etc., corporations.

Penalty.

# [CHAPTER 38]

## JOINT RESOLUTION

Making an additional appropriation for relief purposes for the fiscal year ending June 30, 1938.

March 2, 1938  
[H. J. Res. 596]  
[Pub. Res., No. 80]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That to continue to provide relief, and work relief on useful public projects, as authorized in the Emergency Relief Appropriation Act of 1937, and subject to all the provisions thereof, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$250,000,000, which amount shall be added to, and proportionately increase the specified amounts of the limitations prescribed under, the appropriation made in such Act.

Approved, March 2, 1938.

Additional appropriation for relief purposes, fiscal year 1938.  
50 Stat. 352.  
Post, p. 809.

# [CHAPTER 39]

## JOINT RESOLUTION

Making appropriations for the control of outbreaks of insect pests.

March 2, 1938  
[H. J. Res. 591]  
[Pub. Res., No. 81]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That for carrying out the purposes of and for expenditures authorized under the public resolution entitled "Joint resolution making funds available for the control of incipient or emergency outbreaks of insect pests or plant diseases, including grasshoppers, Mormon crickets, and chinch bugs", approved April 6, 1937 (50 Stat. 57), there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$2,000,000, to be immediately available and to remain available until June 30, 1939: *Provided*, That, in the discretion of the Secretary of Agriculture, no part of this appropriation shall be expended for control of grasshoppers, Mormon crickets, or chinch bugs in any State until such State has provided the organization or materials and supplies necessary for cooperation: *Provided further*, That this appropriation shall be expended under the personal supervision and direction of the Secretary of Agriculture, who shall make a detailed report to the Secretary of the Senate and the Clerk of the House of Representatives of the several items of expenditure made hereunder: *Provided further*, That transportation of control materials purchased under this appropriation shall be under conditions and means determined by the Secretary of Agriculture as most advantageous to the Federal Government: *Provided further*, That procurements under this appropriation may be made by open-market purchases notwithstanding the provisions of section 3709 of the Revised Statutes of the United States (41 U. S. C. 5).

Insect pest and plant disease control.  
Appropriation for.  
50 Stat. 57.

Availability.  
*Provisos*.  
Limitation on expenditure.

Administrative provision.

Transportation of materials.

Open-market purchases.

R. S. § 3709.  
41 U. S. C. § 5.

Agricultural Adjustment Act of 1938, amount for administration.

*Ante*, p. 69.

SEC. 2. For the administration of the Agricultural Adjustment Act of 1938 (including the provisions of title 5 thereof) during the fiscal year ending June 30, 1938, there is hereby appropriated out of the unexpended balance of the funds appropriated for such fiscal year for carrying out the purposes of the Soil Conservation and Domestic Allotment Act, as amended, not to exceed the sum of \$5,000,000, as authorized by subsection (b) of section 391 of such Agricultural Adjustment Act of 1938.

Approved, March 2, 1938.

#### [CHAPTER 40]

#### AN ACT

March 3, 1938  
[S. 3452]  
[Public, No. 438]

To extend the lending authority of the Disaster Loan Corporation to apply to disasters in the year 1938.

Disaster Loan Corporation.  
Lending authority extended.  
50 Stat. 19, 211.  
15 U. S. C., Supp. III, § 605k-1.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Act of February 11, 1937, creating the Disaster Loan Corporation (50 Stat. 19), as amended, is hereby further amended as follows:

By striking out of the second paragraph thereof "years 1936 or 1937" and inserting in lieu thereof "years 1936, 1937, or 1938".

Approved, March 3, 1938.

#### [CHAPTER 41]

#### AN ACT

March 4, 1938  
[S. 2215]  
[Public, No. 439]

To amend an Act entitled "An Act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and Acts amendatory thereof and supplementary thereto.

Bankruptcy Act of 1898, amendments.  
Agricultural compositions and extensions.  
30 Stat. 544; 47 Stat. 1470.  
11 U. S. C. § 203; Supp. III, § 203.  
Petition by farmer; fee.  
Conciliation commissioner, compensation.  
*Post*, p. 939.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That subsections (b) and (c) of section 75 of an Act entitled "An Act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, as amended, are amended to read as follows:

"(b) Upon filing of any petition by a farmer under this section there shall be paid a fee of \$10, to be transmitted to the clerk of the court and covered into the Treasury. The conciliation commissioner shall receive as compensation for his services a fee of \$25 for each case submitted to him when a composition or extension proposal has been effected and confirmed, or \$10 in each case submitted to him in which there is no confirmation, to be paid out of the Treasury upon final disposition of each case. A supervising conciliation commissioner shall receive, as compensation for his services, a per diem allowance to be fixed by the court in an amount not in excess of \$5 per day, together with subsistence and travel expenses in accordance with the law applicable to officers of the Department of Justice. Such compensation and expenses shall be paid out of the Treasury. If the creditors at any time desire supervision over the farming operations of a farmer, the cost of such supervision shall be borne by such creditors or by the farmer, as may be agreed upon by them, but in no instance shall the farmer be required to pay more than one-half of the cost of such supervision. Nothing contained in this section shall prevent a conciliation commissioner who supervises such farming operations from receiving such compensation therefor as may be so agreed upon. No fees, costs, or other charges shall be charged or taxed to any farmer or to his creditors by any conciliation commissioner or with respect to any proceeding under this section, except as hereinbefore in this section provided. The conciliation commissioner may accept and avail himself of office space,

Supervising conciliation commissioner, compensation.

Supervision over farming operations of farmer; division of cost.

Additional fees, etc., forbidden.

Office space, equipment, etc.

equipment, and assistance furnished him by other Federal officials, or by any State, county, or other public officials. The Supreme Court is authorized to make such general orders as it may find necessary properly to govern the administration of the office of conciliation commissioner and proceedings under this section; but any district court of the United States may, for good cause shown and in the interests of justice, permit any such general order to be waived.

“(c) At any time prior to March 4, 1940, a petition may be filed by any farmer, stating that the farmer is insolvent or unable to meet his debts as they mature, and that it is desirable to effect a composition or an extension of time to pay his debts. The petition or answer of the farmer shall be accompanied by his schedules. The petition and answer shall be filed with the court, but shall, on request of the farmer or creditor, be received by the conciliation commissioner for the county in which the farmer resides and promptly transmitted by him to the clerk of the court for filing. If any such petition is filed, an order of adjudication shall not be entered except as provided hereinafter in this section.”

SEC. 2. That Section 75 of said Act be further amended by amending Paragraph 5 of Subsection (s) to read as follows:

“This Act shall be held to apply to all existing cases now pending in any Federal Court, under this Section, as well as to future cases. All cases under this Section that have been dismissed by any conciliation commissioner, referee, or Federal Court because such Court erroneously assumed or held that Subsection (s) of Section 75 of this Act was unconstitutional, shall be promptly reinstated, without any additional filing fees or charges. Any farm debtor who has filed under the General Bankruptcy Act may take advantage of this section upon written request to the court; and a previous discharge of the debtor under any other section of this Act shall not be grounds for denying him the benefits of this section”.

Approved, March 4, 1938.

## [CHAPTER 42]

### AN ACT

Making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1938, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1938, and for other purposes, namely:*

## TITLE I—GENERAL APPROPRIATIONS LEGISLATIVE

### SENATE

For miscellaneous items, exclusive of labor, fiscal year 1938, \$120,000.

### HOUSE OF REPRESENTATIVES

For payment to the widow of R. P. Hill, late a Representative from the State of Oklahoma, \$10,000.

For payment to the widow of Edward A. Kenney, late a Representative from the State of New Jersey, \$10,000.

Supreme Court orders governing administration, etc.

Petition of insolvency; time limit for filing.

Schedules to accompany.  
Procedure.

49 Stat. 945.  
11 U. S. C., Supp. III, § 203 (5).

Application of Act to pending cases.

Reinstatement of designated cases.

March 5, 1938  
[H. R. 9306]  
[Public, No. 440]

First Deficiency Appropriation Act, fiscal year 1938.

General appropriations.  
Legislative.

Senate.

Miscellaneous items.

House of Representatives.

R. P. Hill.  
Payment to widow.

Edward A. Kenney.  
Payment to widow.

The two foregoing sums to be disbursed by the Sergeant at Arms of the House of Representatives.

Contingent expenses.

Contingent expenses, folding documents: For folding speeches and pamphlets, at a rate of not exceeding \$1 per thousand, fiscal year 1938, \$5,000.

Executive.

## EXECUTIVE

Independent Offices.

## INDEPENDENT OFFICES

Interstate Commerce Commission.  
Motor transport regulation.

### INTERSTATE COMMERCE COMMISSION

49 Stat. 543-567.  
49 U. S. C., Supp. III, §§ 301-327.  
50 Stat. 337.

Motor transport regulation: For an additional amount for all authorized expenditures necessary to enable the Interstate Commerce Commission to carry out the provisions of the Motor Carrier Act, approved August 9, 1935 (49 Stat. 543-567), fiscal year 1938, including the same objects specified under this head in the Independent Offices Appropriation Act for the fiscal year 1938, \$300,000.

National Labor Relations Board.

### NATIONAL LABOR RELATIONS BOARD

Printing and binding.  
Transfer of funds.  
50 Stat. 339.

Printing and binding: Not to exceed \$40,000 of the appropriation for salaries and expenses, National Labor Relations Board, fiscal year 1938, may be transferred to the appropriation for printing and binding for such Board for such fiscal year.

Railroad Retirement Board.

### RAILROAD RETIREMENT BOARD

Salaries and expenses.

Salaries and expenses: For an additional amount for three Board members and for all authorized and necessary expenditures of the Railroad Retirement Board in performing the duties imposed by law or in pursuance of law, fiscal year 1938, including the same objects specified under this head in the Independent Offices Appropriation Act for the fiscal year 1938, \$481,000.

50 Stat. 340.  
Printing and binding.  
50 Stat. 341.

Printing and binding: For an additional amount for printing and binding for the Railroad Retirement Board, fiscal year 1938, \$19,000.

District of Columbia.

## DISTRICT OF COLUMBIA

General expenses.

### GENERAL EXPENSES

Assessor's office.  
50 Stat. 360.

Assessor's office: For an additional amount for personal services, fiscal year 1938, \$51,380.

Collector's office.  
50 Stat. 360.

Collector's office: For an additional amount for personal services, fiscal year 1938, \$2,850.

Office of corporation counsel.

Office of corporation counsel: For an additional amount for the corporation counsel, including extra compensation as general counsel of the Public Utilities Commission, and other personal services, fiscal year 1938, \$6,250.

Employees' compensation fund.  
41 Stat. 104; 50 Stat. 362.

Employees' compensation fund, District of Columbia: For an additional amount for carrying out the provisions of section 11 of the District of Columbia Appropriation Act, approved July 11, 1919, extending to the employees of the government of the District of Columbia the provisions of the Act entitled "An Act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, fiscal year 1938, \$11,000.

39 Stat. 742.  
5 U. S. C. §§ 751-796.

Department of Vehicles and Traffic.  
Personal services.

Department of Vehicles and Traffic: For an additional amount for personal services, payable from the special fund created by the Act entitled "An Act to provide for a tax on motor vehicle fuels sold within the District of Columbia, and for other purposes", approved April 23, 1924, and the Act entitled "An Act to provide additional revenue for the District of Columbia, and for other purposes", approved August 17, 1937, fiscal year 1938, \$1,300.

43 Stat. 106.

50 Stat. 676.

For an additional amount for purchase, installation, and modification of electric lights, signals, and controls, including the same objects and under the same conditions and limitations applicable to the appropriation for this purpose in the District of Columbia Appropriation Act for the fiscal year 1938, payable from the special fund created by the Act entitled "An Act to provide for a tax on motor vehicle fuels sold within the District of Columbia, and for other purposes", approved April 23, 1924, and the Act entitled "An Act to provide additional revenue for the District of Columbia, and for other purposes", approved August 17, 1937, fiscal year 1938, \$990.

Electric lights, signals, and controls; purchase, etc.

50 Stat. 362.

43 Stat. 106.

50 Stat. 676.

#### CONTINGENT AND MISCELLANEOUS EXPENSES

Contingent expenses: For an additional amount for checks, books, law books, books of reference, periodicals, newspapers, stationery; surveying instruments and implements; drawing materials; binding, rebinding, repairing, and preservation of records; ice; traveling expenses not to exceed \$2,000; including the same objects and under the same conditions and limitations applicable to the appropriation for this purpose in the District of Columbia Appropriation Act for the fiscal year 1938, fiscal year 1938, \$3,270.

Contingent and miscellaneous expenses.  
Objects specified.

50 Stat. 363.

General advertising.

General advertising: For an additional amount for general advertising, including the same objects and under the same conditions and limitations applicable to the appropriation for this purpose in the District of Columbia Appropriation Act for the fiscal year 1937, fiscal year 1937, \$3,758.28.

49 Stat. 1860.

Printing and binding: For an additional amount for printing and binding, including the same limitations and provisions under this heading in the District of Columbia Appropriation Act for fiscal year 1938, fiscal year 1938, \$3,650.

Printing and binding.

50 Stat. 364.

#### HEALTH DEPARTMENT

Medical charities: For an additional amount for care and treatment of indigent patients under a contract made by the Board of Public Welfare with the Eastern Dispensary and Casualty Hospital, fiscal year 1937, \$5,405.47.

Health Department.

Medical charities.  
49 Stat. 1879.

#### COURTS

Support of convicts: For an additional amount for support, maintenance, and transportation of convicts transferred from District of Columbia, including the same objects specified under this head in the District of Columbia Appropriation Act for the fiscal year 1937, fiscal year 1937, \$6,326.29.

Courts.

Support of convicts.

49 Stat. 1876.

#### PUBLIC WELFARE

Workhouse and Reformatory: For increasing the boiler capacity at the District of Columbia Reformatory, Lorton, Virginia, by one 300-horsepower boiler and an additional smokestack, fiscal year 1938, \$27,600, to remain available until June 30, 1939.

Public welfare.

Workhouse and Reformatory, boilers, etc.

National Training School for Boys (contract): For an additional amount for care and maintenance of boys committed to the National Training School for Boys by the courts of the District of Columbia under a contract made by the Board of Public Welfare with the authorities of said school, fiscal year 1937, \$16,773.14.

National Training School for Boys (contract).  
49 Stat. 1879.

#### WASHINGTON CHANNEL

Improvement of Washington Channel: Toward the payment by the District of Columbia of its proportionate part of the cost of improving the north side of Washington Channel, District of Columbia, as

Washington Channel.

Improvement of north side; share of expenses.

49 Stat. 1031.  
Transfer of sum to  
War Department.

set forth in the Act, approved August 30, 1935, entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", fiscal year 1938, \$69,000, which sum shall be transferred to the War Department and expended under the direction of the Secretary of War and the supervision of the Chief of Engineers, and shall continue available until expended.

Judgments.

#### JUDGMENTS

Payment of.

Interest.

For the payment of final judgments, including costs, rendered against the District of Columbia, as set forth in House Document Numbered 509, Seventy-fifth Congress, \$5,140.74, together with the further sum to pay the interest at not exceeding 4 per centum per annum on such judgments, as provided by law, from the date the same became due until the date of payment.

#### DIVISION OF EXPENSES

Division of expenses.

The foregoing sums for the District of Columbia, unless otherwise therein specifically provided, shall be paid out of the revenues of the District of Columbia and the Treasury of the United States in the manner prescribed by the District of Columbia Appropriation Acts for the respective fiscal years for which such sums are provided.

Department of Agriculture.

### DEPARTMENT OF AGRICULTURE

Forest Service.

#### FOREST SERVICE

Fighting forest fires.

Fighting forest fires: For an additional amount for fighting and preventing forest fires, including the same purposes and objects specified under this head in the Agricultural Appropriation Act for the fiscal year 1938, \$1,279,417.

50 Stat. 412.

Bureau of Public Roads.

#### BUREAU OF PUBLIC ROADS

Inter-American highway.

45 Stat. 1697; 51 Stat. 152.  
39 Stat. 357.  
16 U. S. C. § 503; 23 U. S. C. §§ 12a, 48.

Inter-American highway: For the continuation of cooperation with the several governments, members of the Pan American Union, in connection with the survey and construction of the inter-American highway as provided by the Act approved March 4, 1929 (45 Stat. 1697), and supplemental Acts, the Secretary of Agriculture is hereby authorized to expend not to exceed \$34,000 from the administrative funds provided under the Act of July 11, 1916, as amended.

Department of the Interior.

### DEPARTMENT OF THE INTERIOR

National Park Service.

#### NATIONAL PARK SERVICE

Homestead National Monument of America, Nebr., development.  
50 Stat. 606.

Homestead National Monument of America, Nebraska: The appropriation of \$24,000 made in the Interior Department Appropriation Act, 1938, for the Homestead National Monument of America, Nebraska, is hereby made available for the same purposes until expended.

Department of Justice.

### DEPARTMENT OF JUSTICE

Federal Bureau of Investigation.

#### FEDERAL BUREAU OF INVESTIGATION

Payment of claims for damages.

Claims for damages: For the payment of claims for damages to any person or damages to or loss of privately owned property caused by employees of the Federal Bureau of Investigation, acting within the scope of their employment, considered, adjusted, and determined by the Attorney General, under the provisions of the

Act entitled "An Act to provide for the adjustment and settlement of certain claims arising out of the activities of the Federal Bureau of Investigation", approved March 20, 1936 (49 Stat. 1184), as fully set forth in House Document Numbered 503, Seventy-fifth Congress, \$652.04.

#### PENAL AND CORRECTIONAL INSTITUTIONS

Support of United States prisoners: For additional amounts for support of United States prisoners, including the same objects specified under this head in the Acts making appropriations for the Department of Justice, for the following fiscal years:

For 1929, \$172;

For 1932, \$230.

#### JUDICIAL

##### UNITED STATES CUSTOMS COURT

Printing and binding: For an additional amount for printing and binding, United States Customs Court, fiscal year 1937, \$75.60.

##### TERRITORIAL COURTS

Salaries, justices and judges, Territory of Hawaii: For additional amounts for salaries of the chief justice and two associate justices, and for the judges of the circuit courts, fiscal year 1938, \$2,355.

##### UNITED STATES COURT FOR CHINA

Salaries and expenses: The appropriations for salaries and expenses, United States Court for China, for the fiscal year 1938 shall be available, under such regulations as may be prescribed by the Attorney General, for travel expenses of officers and employees of the court, and of their dependents, while en route to or from places of temporary refuge in time of war, political disturbance, earthquake, epidemic, or similar emergency.

##### UNITED STATES COURTS

Salaries, fees, and expenses of marshals, United States Courts: For an additional amount for salaries, fees, and expenses of marshals, United States courts, including the same objects specified under this head in the Department of Justice Appropriation Act, 1937, fiscal year 1937, \$46,500.

Fees of commissioners, United States courts: For an additional amount for fees of United States commissioners and other committing magistrates acting under section 1014, Revised Statutes (18 U. S. C. 591), fiscal year 1933, \$18.84.

Pay of bailiffs, and so forth, United States courts: For an additional amount for pay of bailiffs, and so forth, United States courts, including the same objects specified under this head in the Department of Justice Appropriation Act, 1937, fiscal year 1937, \$11,000.

#### DEPARTMENT OF LABOR

##### BUREAU OF IMMIGRATION AND NATURALIZATION

The unexpended balance of the appropriation of \$150,000 contained in the First Deficiency Appropriation Act, fiscal year 1937, for all authorized expenditures necessary to enable the Secretary of Labor to administer the provisions of the Act entitled "An Act to provide means by which certain Filipinos may emigrate from the United States", approved July 10, 1935 (49 Stat. 478), as amended by the Act approved June 4, 1936 (49 Stat. 1462), is hereby made available

49 Stat. 1184.  
5 U. S. C., Supp.  
III, § 300b.

Penal and correctional institutions.

Support of United States prisoners.

Fiscal year 1929.  
45 Stat. 82.  
Fiscal year 1932.  
46 Stat. 1326.

Judicial.

United States Customs Court.

Printing and binding.  
49 Stat. 1325.

Territorial courts.

Hawaii.  
50 Stat. 277.

United States Court for China.

Traveling expenses.  
50 Stat. 277.

United States Courts.

Marshals.

49 Stat. 1326.

Commissioners, etc.

R. S. § 1014.  
18 U. S. C. § 591.

Bailiffs, etc.

49 Stat. 1327.

Department of Labor.

Bureau of Immigration and Naturalization.

Transporting Filipinos.  
50 Stat. 13.

49 Stat. 478, 1462.



for the same purposes during the fiscal year 1938 and to and including December 31, 1938, pursuant to the Act approved May 14, 1937 (50 Stat. 165), further amending such Act of July 10, 1935.

50 Stat. 165.

Navy Department.

## NAVY DEPARTMENT

Office of the Secretary.

### OFFICE OF THE SECRETARY

Collision damage claims.

Claims for damages by collision with naval vessels: To pay claims for damages adjusted and determined by the Secretary of the Navy under the provisions of an Act entitled "An Act to amend the Act authorizing the Secretary of the Navy to settle claims for damages to private property arising from collisions with naval vessels", approved December 28, 1922, as fully set forth in House Document Numbered 502, Seventy-fifth Congress, \$1,337.97.

42 Stat. 1066.  
34 U. S. C. § 599.

Personal property claims.

Personal property claims: For an additional amount for relief of officers and enlisted men, Navy and Marine Corps, for loss of personal property by earthquake at Managua, Nicaragua, including the same objects specified under this head in Private Act Numbered 355, approved August 25, 1937, \$850.

50 Stat. 1081.

Replacement of naval vessels.

### REPLACEMENT OF NAVAL VESSELS

Construction and machinery.  
Group IV (b) employees.

Replacement of naval vessels, construction, and machinery: The limitation on expenditures for employees in the field service assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department under the appropriation "Replacement of Naval Vessels, Construction and Machinery" for the fiscal year 1938, contained in the Naval Appropriation Act, approved April 27, 1937, is hereby increased from \$4,570,000 to \$5,235,000.

50 Stat. 114.

Post Office Department.

## POST OFFICE DEPARTMENT

Office of Chief Inspector.

### OFFICE OF CHIEF INSPECTOR

Chemical, etc., investigations.  
50 Stat. 157.

Traveling and miscellaneous expenses: The limitation imposed by the Post Office Department Appropriation Act, 1938, upon the amount that may be transferred under this head by the Postmaster General to other departments and independent establishments for chemical and other investigations is hereby increased from \$20,000 to \$25,000.

Department of State.

## DEPARTMENT OF STATE

Printing and binding.  
50 Stat. 262.

Printing and binding: For an additional amount for all printing and binding in the Department of State, including all of its bureaus, offices, institutions, and services located in Washington, District of Columbia, and elsewhere, fiscal year 1938, \$18,000.

Passport agencies.

Passport agencies: For an additional amount for passport agencies, Department of State, including the same objects specified under this head in the Department of State Appropriation Act, 1938, fiscal year 1938, \$3,000.

50 Stat. 262.

Foreign Service officers, transportation.

Transportation of Foreign Service officers: For an additional amount for transportation of Foreign Service officers, including the same objects specified under this head in the Department of State Appropriation Act, 1938, fiscal year 1938, \$71,000.

50 Stat. 263.

Contingent expenses, Foreign Service.

Contingent expenses, Foreign Service: For an additional amount for contingent expenses, Foreign Service, including the same objects specified under this head in the Department of State Appropriation Act, 1938, fiscal year 1938, \$118,000.

50 Stat. 265.

Mixed Claims Commission, United States and Germany: For the Mixed Claims Commission, United States and Germany, including the same objects specified under this head in the First Deficiency Appropriation Act, fiscal year 1936, fiscal year 1938, \$16,650, to remain available until June 30, 1939.

Mixed Claims Commission, United States and Germany.

49 Stat. 1631.

International Pacific Salmon Fisheries Commission: For an additional amount for the share of the United States of the expenses of the International Pacific Salmon Fisheries Commission, including the same objects specified under this head in the Third Deficiency Appropriation Act, fiscal year 1937, and including the purchase of a passenger-carrying automobile for official use in the field, fiscal year 1938, \$7,500.

International Pacific Salmon Fisheries Commission.

50 Stat. 770.  
Automobile.

Payment of indemnity received from Canada for damage by fumes from smelter at Trail, British Columbia: For the expenses of determining and certifying to the Secretary of the Treasury the amounts due claimants from the money received from Canada on account of damage which occurred in the United States as a result of the operation of the smelter at Trail, British Columbia, including personal services in the District of Columbia and elsewhere, without regard to the civil-service laws and regulations or to the Classification Act of 1923, as amended; stenographic reporting and translating services, by contract if deemed necessary without regard to section 3709 of the Revised Statutes (41 U. S. C. 5); rent in the District of Columbia and elsewhere; traveling expenses; cost of necessary books and documents; stationery; printing and binding; and such other expenditures as may be authorized by the Secretary of State; and the Secretary of State is authorized to transfer to any department or independent establishment of the Government with the consent of the head thereof, any part of this amount for direct expenditure by such department or establishment for the purposes of this appropriation, fiscal year 1938, \$15,000, to remain available until June 30, 1939.

Smelter fumes damage, Trail, British Columbia.

Determination, etc., of amounts due claimants.

5 U. S. C. §§ 631-652; 651-674; Supp. III, §§ 672, 673c.

R. S. § 3709.  
41 U. S. C. § 5.

Printing and binding.

Transfer of funds.

International Joint Commission, United States and Great Britain: The unexpended balance of the appropriation "Investigation, International Joint Commission, United States and Great Britain, 1936 and 1937", contained in the First Deficiency Appropriation Act, fiscal year 1936, is continued available for the same purposes until June 30, 1938.

International Joint Commission, United States and Great Britain.

49 Stat. 1631.

Rio Grande Rectification Project, Department of State: The unexpended balance of the appropriation made for the fiscal years 1936-1937 for the construction of the Rio Grande rectification project under the jurisdiction of the Department of State and the International Boundary Commission, United States and Mexico, is hereby continued available for the same purposes until June 30, 1938.

Rio Grande rectification project.  
48 Stat. 1621.  
49 Stat. 1317.

## TREASURY DEPARTMENT

### OFFICE OF THE SECRETARY

Payments to Federal land banks, reductions in interest rate on mortgages: For an additional amount to enable the Secretary of the Treasury to pay each Federal land bank such amount as the Land Bank Commissioner certifies to the Secretary of the Treasury is equal to the amount by which interest payments on mortgages held by such land bank have been reduced during the fiscal year 1938, and prior thereto, in accordance with the provisions of paragraph "Twelfth" of section 12 of the Federal Farm Loan Act (12 U. S. C. 771), as amended, fiscal year 1938, \$16,700,000.

Treasury Department.

Office of the Secretary.

Payments to Federal land banks, reductions in interest rate on mortgages.

12 U. S. C. § 771.

Federal Farm Mortgage Corporation, payments on account of interest rate reductions.

48 Stat. 48.  
12 U. S. C. § 1016;  
Supp. III, § 1016.  
Quarterly payments.

Coast Guard and Public Health Service vessels.  
Damage claims.

49 Stat. 1514.  
14 U. S. C., Supp. III, § 71.

Division of Printing.

Printing and binding.

50 Stat. 139.

Stationery.

50 Stat. 359.

Public Debt Service.

Expenses of loans.  
Limitation on amount increased.

50 Stat. 141.

Bureau of Customs.

Personal services, District of Columbia.  
Limitation on amount increased.

50 Stat. 141.

Bureau of the Mint.

Mints and assay offices.  
Salaries and expenses.

50 Stat. 151.

West Point, N. Y., bullion depository.

Payments to Federal Farm Mortgage Corporation, reduction in interest rate on mortgages: For an additional amount to enable the Secretary of the Treasury to pay to the Federal Farm Mortgage Corporation such amount as the Governor of the Farm Credit Administration certifies to the Secretary of the Treasury is equal to the amount by which interest payments on mortgages held by such Corporation have been reduced during the fiscal year 1938, in accordance with the provisions of section 32 of the Emergency Farm Mortgage Act of 1933, approved May 12, 1933 (12 U. S. C. 1016), as amended, such payments to be made quarterly, beginning as soon as practicable after October 1, 1937, fiscal year 1938, \$2,500,000.

Claims for damages, operation of vessels, Coast Guard and Public Health Service: To pay claims for damages adjusted and determined by the Secretary of the Treasury under the provisions of the Act entitled "An Act to provide for the adjustment and settlement of certain claims for damages resulting from the operation of vessels of the Coast Guard and the Public Health Service, in sums not exceeding \$3,000 in any one case", approved June 15, 1936, as fully set forth in House Document Numbered 500, Seventy-fifth Congress, \$930.57.

#### DIVISION OF PRINTING

Printing and binding: For an additional amount for printing and binding, Treasury Department, fiscal year 1938, including the same objects specified under this head in the Treasury Department Appropriation Act, 1938, and for the cost of transportation to field offices of printed and bound material, including the cost of necessary packing materials, \$55,000.

Stationery: For an additional amount for stationery for the Treasury Department, fiscal year 1938, including the same objects specified under this head in the Treasury Department Appropriation Act, \$34,000.

#### PUBLIC DEBT SERVICE

Expenses of loans: The limitation on the amount that may be obligated during the fiscal year 1938 under the indefinite appropriation "Expenses of Loans, Act September 24, 1917, as Amended and Extended", contained in the Treasury Department Appropriation Act for the fiscal year 1938, is hereby increased from \$2,978,000 to \$4,000,000.

#### BUREAU OF CUSTOMS

Personal services, District of Columbia: The limitation of \$459,180 on the amount that may be expended for personal services in the District of Columbia from the appropriation for collecting the revenue from customs contained in the Treasury Department Appropriation Act for the fiscal year 1938 is hereby increased to \$466,180.

#### BUREAU OF THE MINT

Salaries and expenses, mints and assay offices: For an additional amount for salaries and expenses, mints and assay offices, including the same objects and limitations specified under this head in the Act making appropriations for the Treasury Department for the fiscal year 1938, and including compensation of officers and employees of the bullion depository at West Point, New York, and the transportation of bullion from mints and assay offices to such depository, fiscal year 1938, \$110,700, to remain available until June 30, 1939.

## WAR DEPARTMENT

## MILITARY ACTIVITIES

Army War College: There is hereby transferred to the appropriation "Army War College, 1938", the sum of \$3,180 from the appropriation "Pay of the Army, 1938".

## CIVIL FUNCTIONS

Protective works and measures, Lake of the Woods and Rainy River, Minnesota: For payment, as authorized by the Act approved August 26, 1937 (50 Stat. 843), of claims for damages against the United States arising out of fluctuations of the water levels of the Lake of the Woods as ascertained by the Secretary of War under authority of section 3 of the Act entitled "An Act to carry into effect provisions of the convention between the United States and Great Britain to regulate the level of the Lake of the Woods concluded on the 24th day of February 1925", approved May 22, 1926 (44 Stat. 617), fiscal year 1938, \$73,270.97, to remain available until expended in accordance with the provisions of such Act of August 26, 1937: *Provided*, That a release in full shall be required by the Secretary of War in connection with all claims settled under this appropriation.

Emergency expenditures on account of floods in Ohio and Mississippi Rivers, 1937: Appropriations utilized by the War Department to meet the emergency caused by the flood of the Ohio and Mississippi Rivers and their tributaries during the months of January and February 1937 are hereby made available for that purpose from the beginning of such emergency, and if any expenditures thereunder on account of the emergency are not otherwise allowable under existing law, the accounting officers shall allow credit therefor if shown to have been necessary because of the nature of the emergency. The issuance of supplies and equipment by the War Department in connection with such emergency is hereby ratified and validated.

Rivers and harbors: For an additional amount for rivers and harbors, including the same objects and under the same conditions specified under this head in the War Department Civil Appropriation Act, 1938, \$280,000.

Panama Canal, maintenance and operation: The appropriation for "Maintenance and Operation, Panama Canal", is hereby made available for making relief payments during the fiscal year 1938, as authorized by the Act approved July 8, 1937 (50 Stat. 478).

## TITLE II—JUDGMENTS AND AUTHORIZED CLAIMS

## PROPERTY DAMAGE CLAIMS

SEC. 1. (a) For the payment of claims for damages to or losses of privately owned property, adjusted and determined by the following respective Departments and independent offices, under the provisions of the Act entitled "An Act to provide a method for the settlement of claims arising against the Government of the United States in the sums not exceeding \$1,000 in any one case", approved December 28, 1922 (U. S. C., title 31, secs. 215–217), as fully set forth in House Document Numbered 499 of the Seventy-fifth Congress, as follows:

Puerto Rico Reconstruction Administration, \$86;

Rural Electrification Administration, \$7.50;

Veterans' Administration, \$15.72;

Works Progress Administration, \$9,641.52;

War Department.

Military activities.

Army War College;  
sum transferred.  
50 Stat. 445.

Civil functions.

Lake of the Woods  
and Rainy River,  
Minn., protective  
works, etc.  
50 Stat. 843.

44 Stat. 617, 2108.

Availability.

*Proviso.*  
Settlement of  
claims; release.  
Floods, Ohio and  
Mississippi Rivers,  
etc., 1937.  
Appropriations uti-  
lized; availability.

Issuance of supplies,  
etc., validated.

Rivers and harbors.

50 Stat. 516.

Panama Canal, re-  
lief payments.

50 Stat. 478.

Judgments and au-  
thorized claims.

Property damage  
claims.

Payment of, not  
in excess of \$1,000.

42 Stat. 1066.  
31 U. S. C. §§ 215-  
217.

Department of Agriculture, \$10,254.40;  
 Department of the Interior, \$2,628.67;  
 Department of Labor, \$214.04;  
 Navy Department, \$803.71;  
 Treasury Department, \$216.15;  
 War Department, \$13,456.27;  
 Post Office Department (payable from postal revenues), \$591.57;  
 In all, \$37,915.55.

Additional property  
 damage claims.

42 Stat. 1066.  
 31 U. S. C. §§ 215-  
 217.

(b) For the payment of claims for damages to or losses of privately owned property, adjusted and determined by the following respective Departments and independent offices, under the provisions of the Act entitled "An Act to provide a method for the settlement of claims arising against the Government of the United States in the sums not exceeding \$1,000 in any one case", approved December 28, 1922 (U. S. C., title 31, secs. 215-217), as fully set forth in Senate Document Numbered 143 of the Seventy-fifth Congress, as follows:

United States Maritime Commission, \$50;  
 Works Progress Administration, \$1,681.61;  
 Department of Agriculture, \$417.72;  
 Department of Justice, \$20.05;  
 Navy Department, \$109.65;  
 Treasury Department, \$466.52;  
 War Department, \$1,970.94;  
 Post Office Department (payable from postal revenues), \$8.42;  
 In all, \$4,724.91.

Judgments, United  
 States courts.  
 Payment.

#### JUDGMENTS, UNITED STATES COURTS

24 Stat. 505.  
 28 U. S. C. § 41, par.  
 20; §§ 258, 761-765.

SEC. 2. (a) For payment of the final judgments and decrees, including costs of suits, which have been rendered under the provisions of the Act of March 3, 1887, entitled "An Act to provide for the bringing of suits against the Government of the United States", as amended by the Judicial Code, approved March 3, 1911 (U. S. C., title 28, sec. 41, par. 20; sec. 258; secs. 761-765), certified to the Seventy-fifth Congress in Senate Document Numbered 144, and House Document Numbered 490 under the following departments and establishments, namely:

Civil Works Administration, \$6,421.84;  
 Department of Labor, \$2,244.30;  
 War Department, \$8,972.53;

Total; additional  
 sum for interest.

In all, \$17,638.67, together with such additional sum as may be necessary to pay interest and costs as specified in such judgments or as provided by law.

Suits in admiralty.

43 Stat. 1112.  
 46 U. S. C. §§ 781-789.

(b) For the payment of judgments, including costs of suit, rendered against the Government of the United States by a United States district court under the provisions of an Act entitled "An Act authorizing suits against the United States in admiralty for damages caused by and salvage services rendered to public vessels belonging to the United States, and for other purposes", approved March 3, 1925 (U. S. C., title 46, secs. 781-789), certified to the Seventy-fifth Congress in House Document Numbered 490, under the following department: Navy Department, \$1,674.12; together with such additional sum as may be necessary to pay interest as specified in such judgments or as provided by law.

Interest.

Time of payment.

(c) None of the judgments contained under this caption shall be paid until the right of appeal shall have expired except such as have become final and conclusive against the United States by failure of the parties to appeal or otherwise.

(d) Payment of interest wherever provided for judgments contained in this Act shall not in any case continue for more than thirty days after the date of approval of the Act.

Interest payment  
restriction.

#### JUDGMENTS, COURT OF CLAIMS

Judgments, Court  
of Claims.

Payment.

SEC. 3. (a) For payment of the judgments rendered by the Court of Claims and reported to the Seventy-fifth Congress in Senate Document Numbered 145, and House Document Numbered 489 (star print), under the following departments and establishments, namely:

Emergency Fleet Corporation, United States Shipping Board, \$2,778,333;

Interstate Commerce Commission, \$1,521,696.93;

Veterans' Administration, \$20,773;

Department of the Interior, \$42,217.42;

Navy Department, \$308,831.14;

War Department, \$95,539.14;

In all, \$4,767,390.63, together with such additional sum as may be necessary to pay interest as and where specified in such judgments.

Total; additional  
sum for interest.

(b) None of the judgments contained under this caption shall be paid until the right of appeal shall have expired, except such as have become final and conclusive against the United States by failure of the parties to appeal or otherwise.

Time of payment.

#### AUDITED CLAIMS

Audited claims.

SEC. 4. (a) For the payment of the following claims, certified to be due by the General Accounting Office under appropriations the balances of which have been carried to the surplus fund under the provisions of section 5 of the Act of June 20, 1874 (U. S. C., title 31, sec. 713), and under appropriations heretofore treated as permanent, being for the service of the fiscal year 1935 and prior years, unless otherwise stated, and which have been certified to Congress under section 2 of the Act of July 7, 1884 (U. S. C., title 5, sec. 266), as fully set forth in House Document Numbered 498, Seventy-fifth Congress, there is appropriated as follows:

Payment.

18 Stat. 110.  
31 U. S. C. § 713.

23 Stat. 254.  
5 U. S. C. § 266.

**Legislative Establishment:** For public printing and binding, Government Printing Office, \$2,206.56.

Legislative Estab-  
lishment.

**Executive Office:** For traveling expenses of the President, \$4.40.

Executive Office.

**Independent Offices:** For Federal Civil Works Administration, \$2,922.13.

Independent Offices.

For National Industrial Recovery, Civil Works Administration, \$775.02.

For Federal Emergency Relief Administration (Act June 19, 1934), \$20.05.

48 Stat. 1055.

For National Industrial Recovery, National Emergency Council, 31 cents.

For Public Works Administration, allotment to National Emergency Council, \$9.70.

For Public Works Administration, allotment to National Industrial Recovery Administration, \$57.

For Public Works Administration, allotment to National Resources Board, \$11,429.08.

For farmers' crop-production and harvesting loans, Farm Credit Administration, \$1,776.06.

For loans and relief in stricken agricultural areas (transfer to Farm Credit Administration), \$1,822.

For loans to farmers in drought- and storm-stricken areas, emergency relief, \$179.90.

For loans to farmers in storm- and flood-stricken areas, South-eastern States, \$179.66.

For administrative expenses, Federal Farm Board, \$35.

For salaries and expenses, Farm Credit Administration, 21 cents.

For agricultural credits and rehabilitation, emergency relief, \$37.77.

For salaries and expenses, Civil Service Commission, \$2.23.

For salaries and expenses, Federal Radio Commission, \$8.16.

For administrative expenses, Federal Home Loan Bank Board, \$39.50.

For contingent expenses, General Accounting Office, \$7.64.

For Interstate Commerce Commission, \$19.06.

For United States Tariff Commission, \$9.28.

For payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies (National Advisory Committee for Aeronautics), \$235.38.

For Petroleum Administration, \$190.35.

For Army pensions, \$126.

For Army and Navy pensions, \$618.13.

For military and naval compensation, Veterans' Administration, \$52.

For medical and hospital services, Veterans' Bureau, \$493.80.

For salaries and expenses, Veterans' Bureau, \$4.50.

For salaries and expenses, Veterans' Administration, \$3,791.82.

Post Office Department.

**Post Office Department:** For operating supplies for public buildings, general fund, \$52.98.

Department of Agriculture.

**Department of Agriculture:** For salaries and expenses, Extension Service, \$7.50.

For salaries and expenses, Weather Bureau, \$2.71.

For salaries and expenses, Bureau of Animal Industry, \$224.34.

For salaries and expenses, Bureau of Dairy Industry, \$4,873.70.

For salaries and expenses, Bureau of Plant Industry, \$368.27.

For salaries and expenses, Forest Service, \$664.93.

For salaries and expenses, Bureau of Agricultural Economics, 65 cents.

For migratory bird conservation refuges, \$7.02.

For salaries and expenses, Bureau of Chemistry and Soils, \$3.65.

For salaries and expenses, Food and Drug Administration, \$35.

For salaries and expenses, Bureau of Plant Quarantine, \$4.13.

For salaries and expenses, Bureau of Entomology and Plant Quarantine, \$42.20.

For grasshopper control, \$113.39.

For chinch bug control, Department of Agriculture, \$49.89.

For payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies (Agriculture), \$51.06.

For National Industrial Recovery, Resettlement Administration, subsistence homesteads (transfer to Agriculture), \$1,633.29.

For Emergency Conservation Fund (transfer from War to Agriculture, Act March 31, 1933), \$105.19.

For Emergency Conservation Fund (transfer from War to Agriculture, Act June 19, 1934), \$5,449.85.

For emergency relief and public works, Agriculture, wildlife refuges, \$636.50.

For loans and relief in stricken agricultural areas (transfer to Agriculture), \$2,621.51.

For loans and relief in stricken agricultural areas (transfer to Agriculture—Silviculture), \$8.11.

For National Industrial Recovery, Agricultural Adjustment Administration, \$36.45.

**Department of Commerce:** For increase of compensation, Department of Commerce, \$46.44. Department of Commerce.

For payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies (Commerce), \$72.70.

For aircraft in commerce, \$89.50.

For air-navigation facilities, \$14,546.31.

For salaries, Bureau of Foreign and Domestic Commerce, \$4.03.

For export industries, Department of Commerce, \$2.41.

For expenses of the Fifteenth Census, \$10.15.

For salaries and expenses, Bureau of Navigation and Steamboat Inspection, \$12.79.

For general expenses, Bureau of Standards, \$3.15.

For salaries, Lighthouse Service, \$4.27.

For general expenses, Lighthouse Service, \$1,200.

For retired pay, Lighthouse Service, \$43.02.

For miscellaneous expenses, Bureau of Fisheries, \$26.39.

**Department of the Interior:** For contingent expenses, Department of the Interior, \$25.63. Department of the Interior.

For contingent expenses of land offices, \$67.58.

For general expenses, General Land Office, \$2.20.

For salaries and expenses, public buildings and grounds in the District of Columbia, National Park Service, \$8.

For surveying the public lands, \$25.74.

For Geological Survey, \$36.92.

For National Park Service, \$73.65.

For salaries and expenses, Office of National Parks, buildings and reservations, \$51.70.

For National Industrial Recovery, Interior, oil regulations, \$1.25.

For Petroleum Administration (transfer to Interior), \$37.73.

For agriculture and stock raising among Indians, \$20.80.

For conservation of health among Indians, \$2,046.92.

For fulfilling treaties with Sioux of different tribes, including Santee Sioux of Nebraska, North Dakota, and South Dakota, \$125.50.

For Indian boarding schools, \$982.85.

For Indian school support, \$977.71.

For Indian schools, Five Civilized Tribes, 30 cents.

For improvement, maintenance, and operation, irrigation systems, Crow Reservation, Montana (reimbursable), \$8.76.

For obtaining employment for Indians, \$12.65.

For pay of Indian police, \$15.41.

For purchase and transportation of Indian supplies, \$50.30.

For relieving distress and prevention, and so forth, of diseases among Indians, \$63.75.

For support of Indians and administration of Indian property, \$999.05.

For education, Sioux Nation, \$270.07.

For emergency conservation fund (transfer from War to Interior, Indians, Act March 31, 1933), \$898.23.

48 Stat. 22.

For emergency conservation fund (transfer from War to Interior, Indians, Act June 19, 1934), \$234.51.

48 Stat. 1021.

For loans and relief in stricken agricultural areas (transfer from Agriculture to Interior, Indians), \$218.63.

**Department of Justice:** For increase of compensation, Department of Justice, \$50. Department of Justice.

For salaries and expenses, Bureau of Prohibition, \$2.50.

For salaries and expenses, Alcoholic Beverage Unit, Department of Justice, \$69.38.

For contingent expenses, Department of Justice, \$4.16.

For detection and prosecution of crimes, \$7.



For traveling and miscellaneous expenses, Department of Justice, \$56.85.

For salaries, fees, and expenses of marshals, United States courts, \$2,737.81.

For salaries and expenses, United States Court of Customs and Patent Appeals, \$24.

For salaries of circuit, district and retired judges, \$83.33.

For expenses of circuit and retired judges, \$43.24.

For fees and expenses of conciliation commissioners, United States courts, \$8.50.

For salaries and expenses of district attorneys, United States courts, \$82.48.

For salaries and expenses of clerks, United States courts, \$13.64.

For fees of jurors and witnesses, United States courts, \$282.49.

For support of United States prisoners, \$236.25.

For miscellaneous expenses, United States courts, \$57.20.

For salaries and expenses, Division of Investigation, \$144.80.

For salaries and expenses, Division of Investigation, Department of Justice, \$23.57.

For salaries and expenses, veterans' insurance litigation, Department of Justice, \$128.14.

For fees of commissioners, United States courts, \$157.20.

For United States southwestern reformatory, maintenance, \$63.

For United States industrial reformatory, Chillicothe, Ohio, maintenance, \$18.85.

For United States hospital for defective delinquents, maintenance, 14 cents.

For National Training School for Boys, Washington, District of Columbia, maintenance, \$4.10.

Department of  
Labor.

**Department of Labor:** For contingent expenses, Department of Labor, \$5.76.

For investigation of cost of living in the United States, \$15.

For payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies (Labor), \$188.59.

For salaries and expenses, Bureau of Immigration, \$31.

For salaries and expenses, Bureau of Labor Statistics, 40 cents.

For salaries and expenses, Immigration and Naturalization Service, \$73.88.

Navy Department.

**Navy Department:** For payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies (Navy), \$17,553.44.

For miscellaneous expenses, Navy, \$1.

For transportation, Bureau of Navigation, \$137.01.

For gunnery and engineering exercises, Bureau of Navigation, \$20.

For instruments and supplies, Bureau of Navigation, \$1,505.

For organizing the Naval Reserve, \$296.57.

For engineering, Bureau of Engineering, \$131,674.31.

For construction and repair, Bureau of Construction and Repair, \$34,588.17.

For ordnance and ordnance stores, Bureau of Ordnance, \$58,947.68.

For pay, subsistence, and transportation, Navy, \$4,075.46.

For pay of the Navy, \$1,171.23.

For care of the dead, Bureau of Medicine and Surgery, \$44.36.

For maintenance, Bureau of Supplies and Accounts, \$50.93.

For maintenance, Bureau of Yards and Docks, \$22.11.

For contingent, Bureau of Yards and Docks, \$251.34.

For general expenses, Marine Corps, \$62.93.

For pay, Marine Corps, \$35,489.20.

For maintenance and repairs, Naval Academy, \$5,204.21.

For judgments, bounty for destruction of enemy's vessels, \$22.63.

For aviation, Navy, \$14,272.64.

For increase of the Navy, emergency construction, \$59,388.65.

**Department of State:** For contingent expenses, Department of State, \$7.68. Department of State.

For payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies (State), \$1,145.06.

For transportation of Foreign Service officers, \$1,152.75.

For contingent expenses, foreign missions, \$31.57.

For contingent expenses, Foreign Service, \$37.20.

For office and living quarters, Foreign Service, \$87.98.

For salaries, Foreign Service officers, \$529.93.

For salaries, Foreign Service clerks, \$445.03.

**Treasury Department:** For collecting the internal revenue, Treasury Department, \$399.48. Treasury Department.

For collecting the revenue from customs, \$1,579.67.

For stationery, Treasury Department, \$636.36.

For salaries and expenses, Bureau of the Budget, 24 cents.

For salaries and expenses, Bureau of Industrial Alcohol, \$48.91.

For salaries and expenses, Division of Disbursement, \$4.72.

For payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies (Treasury), \$723.59.

For contingent expenses, Coast Guard, \$558.14.

For fuel and water, Coast Guard, \$464.90.

For outfits, Coast Guard, \$1,920.

For pay and allowances, Coast Guard, \$195.25.

For rebuilding and repairing stations, and so forth, Coast Guard, \$20.

For repairs to Coast Guard vessels, \$636.34.

For suppressing counterfeiting and other crimes, \$13.77.

For expenses, Division of Mental Hygiene, Public Health Service, \$37.43.

For maintenance, National Institute of Health, \$19.

For pay of other employees, Public Health Service, \$12.58.

For pay of personnel and maintenance of hospitals, Public Health Service, \$122.52.

For preventing the spread of epidemic diseases, \$203.37.

For medical and hospital service, penal institutions (Justice transfer to Treasury, Public Health Service, Act April 7, 1934), \$24.

For furniture and repairs of same for public buildings, Procurement Division, \$19.49.

For general expenses of public buildings, Procurement Division, \$14.

For general expenses, Procurement Division, \$6.67.

For mechanical equipment for public buildings, \$4.44.

For mechanical equipment for public buildings, Procurement Division, \$14.39.

For operating expenses, Treasury buildings, Procurement Division, \$379.92.

For operating supplies for public buildings, Procurement Division, \$5.15.

For salaries and expenses, Branch of Supply, Procurement Division, \$11.89.

For contingent expenses, Treasury Department, \$1.50.

For quarantine service, \$10.27.

For freight, transportation, and so forth, Public Health Service, \$133.25.

For repairs and preservation of public buildings, Procurement Division, \$1.

For expenses, Division of Venereal Diseases, Public Health Service, \$7.22.

War Department.

**War Department:** For pay, and so forth, of the Army, \$15,659.39. For pay of the Army, \$2,939.92.

For increase of compensation, Military Establishment, \$2,691.10.

For extra pay to volunteers, War with Spain, \$104.

For Army transportation, \$1,711.57.

For clothing and equipage, \$387.81.

For barracks and quarters, \$2,041.86.

For subsistence of the Army, \$802.49.

For supplies, services, and transportation, Quartermaster Corps, \$38.34.

For general appropriations, Quartermaster Corps, \$1,514.09.

For ordnance service and supplies, Army, \$529.63.

For replacing ordnance and ordnance stores, \$160.04.

For National Guard, \$12,679.51.

For pay of National Guard for armory drills, \$9.20.

For arming, equipping, and training the National Guard, \$440.98.

For Reserve Officers' Training Corps, \$39.34.

For Organized Reserves, \$435.86.

For citizens' military training camps, \$1.44.

For pay, and so forth, of the Army, War with Spain, \$334.83.

For replacing barracks and quarters, \$13.09.

For travel, military and civil personnel, War Department, \$95.35.

For pay of Military Academy, \$6.70.

For maintenance, United States Military Academy, \$5,521.70.

For transportation of the Army and its supplies, \$2.

For incidental expenses of the Army, \$576.67.

For construction and repair of hospitals, \$286.25.

For payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies (War), \$162.15.

For special field exercises, Army, \$259.10.

For Signal Service of the Army, \$2,000.

For infantry school, Fort Benning, Georgia, \$217.60.

For field artillery armament, \$39.35.

For horses, draft and pack animals, \$260.06.

For Air Corps, Army, \$2,456.41.

48 Stat. 22.

For emergency conservation fund (transfer to War, Act March 31, 1933), \$19,950.77.

48 Stat. 1021.

For emergency conservation fund (transfer to War, Act June 19, 1934), \$6,718.12.

For loans and relief in stricken agricultural areas (transfer from Emergency Conservation Work to War, Act June 19, 1934), \$671.67.

Post Office Department.

**Post Office Department—Postal Service (out of the postal revenues):** For clerks, first- and second-class post offices, \$90.54.

For compensation to postmasters, \$162.37.

For contract air-mail service, \$16,492.13.

For foreign mail transportation, \$28.95.

For freight, express, or motor transportation of equipment, and so forth, \$239.08.

For furniture, carpets, and safes for public buildings, Post Office Department, \$133.24.

For indemnities, domestic mail, \$99.78.

For indemnities, international mail, \$101.09.

For operating force, public buildings, Post Office Department, \$117.37.

For operating supplies for public buildings, Post Office Department, \$129.15.

For powerboat service, \$2.

For railroad transportation and mail messenger service, \$26.66.

For railway mail service, salaries, \$80,544.12.

For rural delivery service, \$1,017.71.

For village delivery service, \$10.98.

Total, audited claims, section 4 (a), \$659,374.37, together with such additional sum due to increases in rates of exchange as may be necessary to pay claims in the foreign currency as specified in certain of the settlements of the General Accounting Office.

(b) For the payment of the following claims, certified to be due by the General Accounting Office under appropriations the balances of which have been carried to the surplus fund under the provisions of section 5 of the Act of June 20, 1874 (U. S. C., title 31, sec. 713), and under appropriations heretofore treated as permanent, being for the service of the fiscal year 1935 and prior years, unless otherwise stated, and which have been certified to Congress under section 2 of the Act of July 7, 1884 (U. S. C., title 5, sec. 266), as fully set forth in Senate Document Numbered 146, Seventy-fifth Congress, there is appropriated as follows:

**Independent Offices:** For Federal Civil Works Administration, \$9.31.

For farmers' crop production and harvesting loans, Farm Credit Administration, \$358.64.

For loans and relief in stricken agricultural areas (transfer to Farm Credit Administration), \$56.

For Army and Navy pensions, \$37.50.

For salaries and expenses, Veterans' Administration, \$330.78.

**Department of Agriculture:** For loans and relief in stricken agricultural areas (transfer to Agriculture), \$16,443.72.

For loans and relief in stricken agricultural areas (transfer to Agriculture—Silviculture), \$25.68.

For emergency conservation fund (transfer from War to Agriculture, Act June 19, 1934), \$13,467.33.

**Department of Commerce:** For air-navigation facilities, \$1,540.

**Department of the Interior:** For conservation of health among Indians, \$38.06.

For support of Indians and administration of Indian property, \$1.92.

For emergency conservation fund (transfer from War to Interior, Indians, Act March 31, 1933), \$2.25.

For emergency conservation fund (transfer from War to Interior, Indians, Act June 19, 1934), \$1,009.69.

**Department of Justice:** For salaries, fees, and expenses of marshals, United States courts, \$2.04.

For fees of jurors and witnesses, United States courts, \$18.05.

For miscellaneous expenses, United States courts, \$12.25.

For payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies (Justice), \$67.99.

For United States industrial reformatory, Chillicothe, Ohio, maintenance, \$10.59.

**Navy Department:** For payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies (Navy), \$47.32.

For transportation, Bureau of Navigation, \$40.10.

Total; additional sum, increases in rates of exchange.

Additional audited claims.

18 Stat. 110.  
31 U. S. C. § 713.

23 Stat. 254.  
5 U. S. C. § 266.

Independent Offices.

Department of Agriculture.

Department of Commerce.  
Department of the Interior.

48 Stat. 1021.

Department of Justice.

Navy Department.

	For pay, subsistence, and transportation, Navy, \$73.36.
	For maintenance, Bureau of Supplies and Accounts, \$54.97.
	For increase of the Navy, emergency construction, \$8,425.
Department of State.	Department of State: For contingent expenses, foreign service, \$2,150.77.
Treasury Department.	Treasury Department: For repairs to Coast Guard vessels, \$100.50.
	For collecting the internal revenue, \$26.30.
	For pay of other employees, Public Health Service, \$2.
	For collecting the revenue from customs, \$2.32.
War Department.	War Department: For pay, and so forth, of the Army, \$785.52.
	For pay of the Army, \$97.12.
	For increase of compensation, Military Establishment, \$49.69.
	For extra pay to volunteers, War with Spain, \$26.
	For Army transportation, \$168.55.
	For clothing and equipage, \$11.38.
	For subsistence of the Army, \$33.18.
	For general appropriations, Quartermaster Corps, \$135.52.
	For ordnance service and supplies, Army, \$2.24.
	For Reserve Officers' Training Corps, \$16.99.
	For Organized Reserves, 16 cents.
	For travel, military and civil personnel, War Department, \$231.08.
	For Signal Service of the Army, \$2,116.80.
	For registration and selection for military service, \$403.30.
48 Stat. 22.	For emergency conservation fund (transfer to War, Act March 31, 1933), \$117.70.
48 Stat. 1021.	For emergency conservation fund (transfer to War, Act June 19, 1934), \$212.87.
Post Office Department.	Post Office Department—Postal Service (out of the postal revenues): For clerks, first- and second-class post offices, \$67.50.
	For compensation to postmasters, \$80.37.
	For electric and cable car service, \$40.09.
	For freight, express or motor transportation of equipment, and so forth, \$6.63.
	For indemnities, domestic mail, \$34.22.
	For indemnities, international mail, \$19.59.
	For railway mail service, salaries, \$984.75.
Total; additional sum, increases in rates of exchange.	Total, audited claims, section 4 (b), \$49,995.69, together with such additional sum due to increases in rates of exchange as may be necessary to pay claims in the foreign currency as specified in certain of the settlements of the General Accounting Office.
Judgments against collectors of customs.	SEC. 5. Judgments against collectors of customs: For the payment of claims allowed by the General Accounting Office covering judgments rendered by United States District Court for the Southern District of New York against collectors of customs, where certificates of probable cause have been issued as provided for under section 989, Revised Statutes (U. S. C., title 28, sec. 842), and certified to the Seventy-fifth Congress in House Document Numbered 492, under the Department of Labor, \$14,941.92.
R. S. § 989. 28 U. S. C. § 842.	SEC. 6. This Act may be cited as the "First Deficiency Appropriation Act, fiscal year 1938".
Short title.	Approved, March 5, 1938.

## [CHAPTER 43]

## AN ACT

Establishing a small claims and conciliation branch in the municipal court of the District of Columbia for improving the administration of justice in small cases and providing assistance to needy litigants, and for other purposes.

March 5, 1938

[S. 1835]

[Public, No. 441]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That there is hereby established in the municipal court of the District of Columbia a small claims and conciliation branch.

SEC. 2. Whenever used in this Act—

(a) "Branch" means the small claims and conciliation branch of the municipal court, herein created.

(b) "Judge" means the judge or judges presiding in said branch.

(c) "Clerk" means the clerk or any assistant clerk of said municipal court assigned to said branch.

(d) "Court" means the municipal court of the District of Columbia and the several judges thereof.

SEC. 3. One or more judges of the municipal court shall serve in said branch for such periods and in such order of rotation as the judges of the court may determine.

SEC. 4. (a) Said branch shall have exclusive jurisdiction over all cases within the jurisdiction of the court in which the amount of the plaintiff's claim or the claimed value of personal property in controversy does not exceed \$50 exclusive of interest, attorneys' fees, protest fees, and costs. Said jurisdiction shall not include actions for recovery of the possession of real estate, whether or not such actions include a claim for arrears of rent, or personalty, or both arrears of rent and personalty.

(b) In order to effect the speedy settlement of controversies said branch shall also have authority with the consent of all parties to settle cases, irrespective of the amount involved, by the methods of arbitration and conciliation. The judges of said branch may also act as referees or arbitrators, either alone or in conjunction with other persons, under title 24, chapter 5, sections 91 to 109, inclusive, of the Code of Law for the District of Columbia, or under the United States Arbitration Act of February 12, 1925 (U. S. C., 1934 ed., title 9, sections 1 to 15), or otherwise. No judge, officer, or other employee of the municipal court shall receive or accept any fee or compensation in addition to his salary for services performed under this subsection.

SEC. 5. (a) Actions shall be commenced in said branch by the filing of a statement of claim, in concise form and free of technicalities. The plaintiff or his agent shall verify the statement of claim by oath or affirmation in the form herein provided, or its equivalent, and shall affix his signature thereto. The clerk of said branch shall, at the request of any individual, prepare the statement of claim and other papers required to be filed in an action in this branch, but his services shall not be available to any corporation, partnership, or association in the preparation of such statements or other papers. A copy of the statement of claim and verification shall be made a part of the notice to be served upon the defendant named therein. The mode of service shall be by the United States marshal, as provided by law; or by registered mail with return receipt; or by any person not a party to or otherwise interested in the suit, especially appointed by the judge for that purpose.

(b) When notice is to be served by registered mail, the clerk shall enclose a copy of the statement of claim, verification, and notice in an envelope addressed to the defendant, prepay the postage with funds obtained from plaintiff, and mail the same forthwith, noting on the records the day and hour of mailing. When such receipt is returned, the clerk shall attach the same to the original statement

Municipal court,  
District of Columbia.  
Small claims and  
conciliation branch,  
establishment.

Definitions.

"Branch."

"Judge."

"Clerk."

"Court."

Assignment of  
judges.

Jurisdiction.

Exceptions.

Settlement of con-  
troversies by arbitra-  
tion, etc.Judges as referees,  
etc.

31 Stat. 1254.  
24 D. C. Code §§  
91-109.  
43 Stat. 883.  
9 U. S. C. §§ 1-15.

Fee, etc., restriction.

Commencement of  
actions; filing claims.

Verification.

Assistance of clerk;  
restriction.Service upon de-  
fendant; mode.Service by regis-  
tered mail.

of claim, and it shall constitute prima-facie evidence of service upon the defendant.

By private individual.

(c) When served by a private individual, as above provided, he shall make proof of service by affidavit before the clerk, showing the time and place of such service.

Cost of service.

(d) When served by the marshal, or by registered mail, the actual cost of service shall be taxable as costs. When served by an individual, as above provided, the cost of service, if any, shall not be taxable as costs.

Statement of claim, verification, and notice.

(e) The statement of claim, verification, and notice shall be in the following or equivalent form, and shall be in lieu of any forms now employed and of any form of summons now provided by law:

Form.

# MUNICIPAL COURT OF THE DISTRICT OF COLUMBIA

## SMALL CLAIMS AND CONCILIATION BRANCH

(Location of room in courthouse)

(Address of court)

WASHINGTON, D. C.

----- Plaintiff	} No.-----
----- Address	
----- VS.	
----- Defendant	

### STATEMENT OF CLAIM

(Here the plaintiff, or at his request the clerk, will insert a statement of the plaintiff's claim, and the original, to be filed with the clerk, may, if action is on a contract, express or implied, be verified by the plaintiff or his agent, as follows:)

DISTRICT OF COLUMBIA, ss:

----- being first duly sworn on oath says the foregoing is a just and true statement of the amount owing by defendant to plaintiff, exclusive of all set-offs and just grounds of defense.

Subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

Plaintiff (or agent)

Clerk (or notary public)

### NOTICE

To: -----

Defendant

Home address

Business address

You are hereby notified that ----- has made a claim and is requesting judgment against you in the sum of ----- dollars (\$-----), as shown by the foregoing statement. The court will hold a hearing upon this claim on ----- at ----- m. in the small claims and conciliation branch, (address of court).

You are required to be present at the hearing in order to avoid a judgment by default.

If you have witnesses, books, receipts, or other writings bearing on this claim, you should bring them with you at the time of the hearing.

If you wish to have witnesses summoned, see the clerk at once for assistance.

If you admit the claim, but desire additional time to pay, you must come to the hearing in person and state the circumstances to the court.

You may come with or without an attorney.

[SEAL]

-----,  
Clerk of the small claims and conciliation  
branch, municipal court.

(f) The foregoing verification shall entitle the plaintiff to a judgment by default, without further proof, upon failure of defendant to appear, when the claim of the plaintiff is for a liquidated amount; when the amount is unliquidated, plaintiff shall be required to present proof of his claim.

Judgment by default, when.

(g) The clerk shall furnish the plaintiff with a memorandum of the day and hour set for the hearing, which time shall be not less than five nor more than fifteen days from the date of the filing of the action. All actions filed in this branch shall be made returnable herein.

Plaintiff to be furnished due notice of hearing.

SEC. 6. A separate small claims and conciliation docket shall be maintained in said branch, in which shall be indicated every proceeding and ruling had in each case.

Small claims and conciliation docket.

SEC. 7. The fee for issuing summons and copies, trial, judgment, and satisfaction in an action in said branch shall be not more than \$1. Other fees shall be as the court shall prescribe. The judge sitting in said branch shall have full discretionary power to waive the prepayment of costs or the payment of costs accruing during the action upon the sworn statement of the plaintiff or upon other satisfactory evidence of his inability to pay such costs. When costs are so waived the notation to be made on the records of said branch shall be "Prepayment of costs waived", or "Costs waived". The term "pauper" or "in forma pauperis" shall not be employed in said branch. If a party shall fail to pay accrued costs, though able to do so, the judge of said branch shall have power to deny said party the right to file any new case in said branch while such costs remain unpaid, and likewise to deny such litigant the right to proceed further in any case pending in said branch. The award of costs shall be according to the discretion of the judge who may include therein the reasonable cost of bonds and undertakings, and other reasonable expenses incident to the suit, incurred by either party.

Fees.

Prepayment of costs; waiving of, if plaintiff unable to pay.

Notations; terms not to be employed.

Failure to pay, though able to do so.

Award of costs.

SEC. 8. (a) On the return day mentioned in section 5 hereof, or such later time as the judge may set, the trial shall be had. Immediately prior to the trial of any case, the judge shall make an earnest effort to settle the controversy by conciliation. If the judge fails to induce the parties to settle their differences without a trial, he shall proceed with the hearing on the merits pursuant to section 8 (b) of this Act.

Trial.  
Conciliation provisions.

(b) The parties and witnesses shall be sworn. The judge shall conduct the trial in such manner as to do substantial justice between the parties according to the rules of substantive law, and shall not be bound by the statutory provisions or rules of practice, procedure, pleading, or evidence, except such provisions relating to privileged communications.

Sworn testimony; conduct of trial, etc.

Judge not bound by statutory provisions, etc.; exception.

(c) If the defendant fails to appear, judgment shall be entered for the plaintiff by default as above provided, or under any rule or rules of the municipal court now existing or hereafter promulgated, or on ex-parte proof. If the plaintiff fails to appear, the suit may be dismissed for want of prosecution, or a nonsuit may be ordered, or defendant may proceed to a trial on the merits, or the case may be continued or returned to the files for further proceedings on a later date, as the judge may direct. If both parties fail to appear, the judge may return the case to the files, or order the same dismissed for want of prosecution, or make any other just and proper disposition thereof, as justice may require.

If defendant fails to appear.

If plaintiff fails to appear.

Failure of both parties to appear.

SEC. 9. If the defendant asserts a set-off or counterclaim, the judge may, in his discretion, require a formal plea of set-off to be filed, or may waive the same. If plaintiff requires time to prepare his defense against such counterclaim or set-off, the judge may, in his discretion, continue the case for such purpose. If the set-off or counterclaim be

Set-off or counterclaim.



for more than the jurisdictional limit of said branch but within the jurisdictional limit of this court, the action shall nevertheless remain in said branch and be tried therein in its entirety.

Certification of cases before municipal court to branch for conciliation.

Completion of trial or recertification.

Stay of entry of judgment; partial payments until satisfied.

Stay of execution vacated for failure to meet installment.

Remedies for enforcing judgment.

Claims for wages or personal services.

Examination, court orders.

Daily record of transactions.  
Monthly report to Attorney General.

Provisions applicable to practice.

Rules of procedure.

Forms.

Sessions.

Review of judgments.

SEC. 10. Whenever the interests of justice shall seem to require it, and all parties consent thereto, any judge of the municipal court may certify any case to said branch for conciliation, or to endeavor to obtain a complete or partial agreed statement of facts or stipulation, which will simplify and expedite the ultimate trial of the case. The trial of any such case if all parties consent may be completed in said branch or in the absence of such consent shall be recertified to another judge of the court for trial.

SEC. 11. When judgment is to be rendered and the party against whom it is to be entered requests it, the judge shall inquire fully into the earnings and financial status of such party and shall have full discretionary power to stay the entry of judgment, and to stay execution, except in cases involving wage claims, and to order partial payments in such amounts, over such periods, and upon such terms, as shall seem just under the circumstances and as will assure a definite and steady reduction of the judgment until it is finally and completely satisfied. Upon a showing that such party has failed to meet any installment payment without just excuse, the stay of execution shall be vacated. When no stay of execution has been ordered or when such stay of execution has been vacated as provided herein, the party in whose favor the judgment has been entered shall have the right to avail himself of all remedies otherwise available in said municipal court for the enforcement of such judgment.

SEC. 12. In all cases where the judgment is founded in whole or in part on a claim for wages or personal services the judge shall, upon motion of the party obtaining judgment, order the appearance of the party against whom such judgment has been entered, but not more often than once each four weeks for oral examination under oath as to his financial status and his ability to pay such judgment, and the judge shall make such supplementary orders as may seem just and proper to effectuate the payment of the judgment upon reasonable terms.

SEC. 13. The clerk of said branch shall maintain an accurate daily record of all transactions had therein and shall prepare and transmit to the Attorney General of the United States a monthly report in detail showing the number and nature of all such transactions.

SEC. 14. All provisions of law relating to the municipal court and the rules of the municipal court shall apply to the practice herein so far as they may be made applicable and are not in conflict with the provisions of this Act or with the rules hereunder promulgated. In case of conflict the provisions of this Act and the rules hereunder promulgated shall control.

SEC. 15. The judges of the municipal court shall forthwith make rules to provide for a simple, inexpensive, and speedy procedure to effectuate the purposes of this Act and shall have power to prescribe, modify, and improve the forms to be used therein, from time to time, to insure the proper administration of justice and to accomplish the purposes of this Act.

SEC. 16. The small-claims branch with a judge in attendance shall be open for the transaction of business on every day of the year except Saturday afternoons, Sundays, and legal holidays, and shall also hold at least one night session during each week.

SEC. 17. Nothing in this Act contained shall deprive any party of the right now existing to petition the United States Court of Appeals for the District of Columbia for a writ of error to review any judgment rendered in said branch of said municipal court.

SEC. 18. In any case filed or pending in said branch in which any party is entitled to demand a trial by jury and files such demand, the case shall be assigned to and tried in one of the regular branches of the court under the procedure provided for such trials.

Trial by jury, procedure when demanded.

SEC. 19. Except as otherwise provided in this Act, or in the rules promulgated hereunder, a party obtaining a judgment in said branch shall be entitled to the same remedies, processes, costs, and benefits as are given or inure to other judgment creditors in said municipal court.

Party obtaining judgment; rights, etc.

SEC. 20. All Acts and parts of Acts inconsistent herewith are hereby repealed.

Inconsistent Acts, etc., repealed.

SEC. 21. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of the Act, and the application of such provisions to other persons or circumstances, shall not be affected thereby.

Saving clause.

SEC. 22. This Act shall take effect on the thirtieth day after the date of its enactment.

Effective date.

Approved, March 5, 1938.

#### [CHAPTER 44]

#### AN ACT

To maintain unimpaired the capital of the Commodity Credit Corporation at \$100,000,000, and for other purposes.

March 8, 1938

[H. R. 9361]

[Public, No. 442]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That as of the 31st of March in each year and as soon as possible thereafter, beginning with March 31, 1938, an appraisal of all the assets and liabilities of the Commodity Credit Corporation for the purpose of determining the net worth of the Commodity Credit Corporation shall be made by the Secretary of the Treasury. The value of assets shall, insofar as possible, be determined on the basis of market prices at the time of appraisal and a report of any such appraisal shall be submitted to the President as soon as possible after it has been made. In the event that any such appraisal shall establish that the net worth of the Commodity Credit Corporation is less than \$100,000,000, the Secretary of the Treasury, on behalf of the United States, shall restore the amount of such capital impairment by a contribution to the Commodity Credit Corporation in the amount of such impairment. To enable the Secretary of the Treasury to make such payment to the Commodity Credit Corporation, there is hereby authorized to be appropriated annually, commencing with the fiscal year 1938, out of any money in the Treasury not otherwise appropriated, an amount equal to any capital impairment found to exist by virtue of any appraisal as provided herein.

Commodity Credit Corporation, maintenance of capital unimpaired.  
Annual determination of net worth.

Value of assets; report.

Restoration of amount of capital impairment.

Annual appropriations authorized.  
*Post*, p. 1148.

SEC. 2. In the event that any appraisal pursuant to section 1 of this Act shall establish that the net worth of the Commodity Credit Corporation is in excess of \$100,000,000, such excess shall, as soon as practicable after such appraisal, be deposited in the Treasury by the Commodity Credit Corporation and shall be credited to miscellaneous receipts. The Secretary of the Treasury is directed, as soon as practicable, to use any amounts so deposited to retire an equivalent amount of the public debt, which amount shall be in addition to any other amount required to be used for such purpose.

Use of excess to retire public debt.

SEC. 3. The Secretary of Agriculture, the Governor of the Farm Credit Administration, and the Reconstruction Finance Corporation are hereby authorized and directed to transfer to the United States all right, title, and interest in and to the capital stock of the Commodity Credit Corporation which each of them now holds. All rights of the United States arising out of the ownership of such capital

Transfer of certain stock to United States.

Rights to be exercised by President, etc.

stock shall be exercised by the President, or by such officer, officers, agency, or agencies as he shall designate, and in such manner as he shall prescribe.

Issuance of obligations authorized; aggregate amount.

Forms, denominations, maturities, interest rates, etc.

Obligations unconditionally guaranteed.

Use as security.

Purchase of Corporation obligations.

Securities hereafter issued under Second Liberty Bond Act; purposes extended.

40 Stat. 288.

Sale of acquired obligations.

Redemptions, etc., treated as public-debt transactions.

Issue not to exceed assets, etc.

Open-market purchases.

Obligations deemed Federal instrumentalities.

Tax exemption; exception.

SEC. 4. With the approval of the Secretary of the Treasury, the Commodity Credit Corporation is authorized to issue and have outstanding at any one time, bonds, notes, debentures, and other similar obligations in an aggregate amount not exceeding \$500,000,000. Such obligations shall be in such forms and denominations, shall have such maturities, shall bear such rates of interest, shall be subject to such terms and conditions, and shall be issued in such manner and sold at such prices as may be prescribed by the Commodity Credit Corporation, with the approval of the Secretary of the Treasury. Such obligations shall be fully and unconditionally guaranteed both as to interest and principal by the United States, and such guaranty shall be expressed on the face thereof, and such obligations shall be lawful investments and may be accepted as security for all fiduciary, trust, and public funds the investment or deposit of which shall be under the authority or control of the United States or any officer or officers thereof. In the event that the Commodity Credit Corporation shall be unable to pay upon demand, when due, the principal of, or interest on, such obligations, the Secretary of the Treasury shall pay to the holder the amount thereof which is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, and thereupon to the extent of the amount so paid the Secretary of the Treasury shall succeed to all the rights of the holders of such obligations. The Secretary of the Treasury, in his discretion, is authorized to purchase any obligations of the Commodity Credit Corporation issued hereunder, and for such purpose the Secretary of the Treasury is authorized to use as a public-debt transaction the proceeds from the sale of any securities hereafter issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such Act, as amended, are extended to include any purchases of the Commodity Credit Corporation's obligations hereunder. The Secretary of the Treasury may at any time sell any of the obligations of the Commodity Credit Corporation acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of the obligations of the Commodity Credit Corporation shall be treated as public-debt transactions of the United States. No such obligations shall be issued in excess of the assets of the Commodity Credit Corporation, including the assets to be obtained from the proceeds of such obligations, but a failure to comply with this provision shall not invalidate the obligations or the guaranty of the same. The Commodity Credit Corporation shall have power to purchase such obligations in the open market at any time and at any price.

SEC. 5. Bonds, notes, debentures, and other similar obligations issued by the Commodity Credit Corporation under the provisions of this Act shall be deemed and held to be instrumentalities of the Government of the United States, and as such they and the income derived therefrom shall be exempt from Federal, State, municipal, and local taxation (except surtaxes, estate, inheritance, and gift taxes). The Commodity Credit Corporation, including its franchise, its capital, reserves, and surplus, and its income shall be exempt from all taxation now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority; except that any real property of the Commodity Credit Corporation shall be subject to State, Territorial, county, municipal, or local taxation to the same extent according to its value as other real property is taxed.

Approved, March 8, 1938.

## [CHAPTER 45]

## AN ACT

To provide for the establishment of a Coast Guard station at or near Panama City, Florida.

March 14, 1938  
[H. R. 7414]  
[Public, No. 443]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Treasury is authorized to establish a Coast Guard station on the coast of Florida at or near Panama City, at such point as the Commandant of the Coast Guard may recommend.

Panama City, Fla.  
Establishment of  
Coast Guard station  
authorized.

Approved, March 14, 1938.

## [CHAPTER 46]

## AN ACT

To transfer to the Secretary of the Treasury a site for a quarantine station to be located at Galveston, Texas.

March 16, 1938  
[H. R. 8972]  
[Public, No. 444]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That there is hereby transferred to the jurisdiction and control of the Secretary of the Treasury the following tracts of land containing a total area of three and seventy-three one-hundredths acres, more or less, as shown on map (File Numbered 9-6-117-A), entitled "Fort San Jacinto Reservation, Galveston, Texas, Plot Sketch of Proposed Quarantine Station Site, U. S. Engineers' Office, Galveston, Texas", dated December 1936 (as revised), more particularly described as follows:

Galveston, Tex.  
Transfer of site to  
Secretary of Treasury  
for quarantine station.

**TRACT A: QUARANTINE STATION SITE.**—Beginning at the southwest corner of site from which mark "B" a brass plug set in cap rock on south jetty bears north eighty degrees fifty-one minutes west, twenty-seven and one-tenth feet; and running thence north thirty-one degrees four minutes east, three hundred feet parallel to and twenty-five feet distant from the center line of said south jetty, to the northwest corner of site; thence south eighty degrees fifty-one minutes east, four hundred thirteen and six-tenths feet, to the northeast corner of site; thence south nine degrees nine minutes west, two hundred seventy-eight and three-tenths feet, to the southeast corner of site; thence north eighty degrees fifty-one minutes west, five hundred twenty-five and six-tenths feet, to the point of beginning, the tract containing an area of three acres, more or less.

Description.  
Tract A: Station  
site.

**TRACT B: RIGHT-OF-WAY FIFTY FEET WIDE.**—Beginning at a point on the southerly line of the hereinbefore described quarantine station site (course numbered 4) from which the southwest corner of same bears north eighty degrees fifty-one minutes west, two hundred and nine and thirty-six one-hundredths feet; and running thence south eighty degrees fifty-one minutes east, fifty feet, along the southerly line of quarantine station site; thence south nine degrees nine minutes west, six hundred and thirty-five and eighty-four one-hundredths feet, to a point in the northerly line of the highway to Ferry; thence north eighty degrees fifty-one minutes west, fifty feet, along said northerly line; thence north nine degrees nine minutes east, six hundred and thirty-five and eighty-four one-hundredths feet, to the point of beginning, this tract containing an area of seventy-three one-hundredths acre, more or less.

Tract B: Right-of-  
way.

**SEC. 2.** The Treasury Department shall submit for approval of the War Department plans for such structures or installations as may be contemplated to be erected channelward of the established harbor lines, or on or over the jetty, in accordance with the provisions of sections 10 and 14 of the Act of March 3, 1899 (U. S. C., 1934 edition, title 33, secs. 403, 408).

Plans for structures.

Approved, March 16, 1938.

30 Stat. 1151, 1152.  
33 U. S. C. §§ 403, 408.

## [CHAPTER 47]

## AN ACT

To provide for the appointment of one additional United States district judge for the eastern district of Louisiana.

March 18, 1938  
[H. R. 2709]  
[Public, No. 445]

Louisiana eastern  
judicial district.  
Additional judge  
authorized.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the President of the United States be, and he is hereby, authorized to appoint, by and with the advice and consent of the Senate, one additional United States district judge for the eastern district of Louisiana.

Approved, March 18, 1938.

## [CHAPTER 48]

## AN ACT

Authorizing the city of Rock Island, Illinois, or its assigns, to construct, maintain, and operate a toll bridge across the Mississippi River at or near Rock Island, Illinois, and to a place at or near the city of Davenport, Iowa.

March 18, 1938  
[H. R. 8466]  
[Public, No. 446]

Mississippi River.  
Rock Island, Ill.,  
may bridge, to Daven-  
port, Iowa.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in order to promote interstate commerce, improve the postal service, and provide for military and other purposes, the city of Rock Island, Illinois, or its assigns be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Mississippi River, at a point suitable to the interests of navigation, at or near Rock Island, Illinois, and to a place at or near Davenport, Iowa, in accordance with the provisions of the Act entitled "An Act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this Act.

Construction.  
34 Stat. 84.  
23 U. S. C. §§ 491-  
498.

Acquisition of ap-  
proaches, etc.

SEC. 2. There is hereby conferred upon the city of Rock Island, Illinois, or its assigns, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, maintenance, and operation of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

Proceedings.

Rates of toll.

SEC. 3. The city of Rock Island, Illinois, or its assigns, is hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the Act of March 23, 1906.

Application of tolls  
to operation, sinking  
fund, etc.

SEC. 4. In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of such bridge and its approaches, including reasonable interest and financing cost, as soon as possible, under reasonable charges, but within a period of not to exceed thirty years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls. An accurate record of the cost of the bridge and its approaches; the expenditures for maintaining, repairing, and operating the same; and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

Maintenance as free  
bridge after amortizing  
costs, etc.

Record of expendi-  
tures and receipts.

Amendment.

SEC. 5. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, March 18, 1938.

## [CHAPTER 49]

## AN ACT

To amend the Act creating the Federal Trade Commission, to define its powers and duties, and for other purposes.

March 21, 1938  
[S. 1077]

{Public, No. 447}

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 1 of the Act entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes," approved September 26, 1914, as amended (U. S. C., 1934 ed., title 15, sec. 41), is hereby amended by inserting before the period at the end of the third sentence thereof a colon and the following: "*Provided, however,* That upon the expiration of his term of office a Commissioner shall continue to serve until his successor shall have been appointed and shall have qualified."

Federal Trade Commission Act, amendments.

38 Stat. 717.  
15 U. S. C. § 41.  
Commissioners,  
term of office.

*Provided.*  
Continuance until  
successor qualifies.

38 Stat. 719.  
15 U. S. C. § 44.

Definitions.

"Commerce."

"Corporation."

SEC. 2. Section 4 of such Act, as amended (U. S. C., 1934 ed., title 15, sec. 44), is hereby amended to read as follows:

"SEC. 4. The words defined in this section shall have the following meaning when found in this Act, to wit:

"'Commerce' means commerce among the several States or with foreign nations, or in any Territory of the United States or in the District of Columbia, or between any such Territory and another, or between any such Territory and any State or foreign nation, or between the District of Columbia and any State or Territory or foreign nation.

"'Corporation' shall be deemed to include any company, trust, so-called Massachusetts trust, or association, incorporated or unincorporated, which is organized to carry on business for its own profit or that of its members, and has shares of capital or capital stock or certificates of interest, and any company, trust, so-called Massachusetts trust, or association, incorporated or unincorporated, without shares of capital or capital stock or certificates of interest, except partnerships, which is organized to carry on business for its own profit or that of its members.

"'Documentary evidence' includes all documents, papers, correspondence, books of account, and financial and corporate records.

"'Acts to regulate commerce' means the Act entitled 'An Act to regulate commerce', approved February 14,<sup>1</sup> 1887, and all Acts amendatory thereof and supplementary thereto and the Communications Act of 1934 and all Acts amendatory thereof and supplementary thereto.

"Documentary evidence."

"Acts to regulate commerce."  
24 Stat. 379.  
49 U. S. C., ch. 1;  
Supp. III, ch. 1.  
48 Stat. 1064.  
47 U. S. C., ch. 5;  
Supp. III, ch. 5.

"Antitrust Acts."

"'Antitrust Acts' means the Act entitled 'An Act to protect trade and commerce against unlawful restraints and monopolies', approved July 2, 1890; also sections 73 to 77, inclusive, of an Act entitled 'An Act to reduce taxation, to provide revenue for the Government, and for other purposes', approved August 27, 1894; also the Act entitled 'An Act to amend sections 73 and 76 of the Act of August 27, 1894, entitled "An Act to reduce taxation, to provide revenue for the Government, and for other purposes"', approved February 12, 1913; and also the Act entitled 'An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes', approved October 15, 1914."

26 Stat. 209.  
15 U. S. C. §§ 1-7.

28 Stat. 570.  
15 U. S. C. §§ 8, 11.

37 Stat. 667.  
15 U. S. C. §§ 8, 11.  
38 Stat. 730.  
15 U. S. C. §§ 12-27;  
Supp. III, ch. 1.

SEC. 3. Section 5 of such Act, as amended (U. S. C., 1934 ed., title 15, sec. 45), is hereby amended to read as follows:

"SEC. 5. (a) Unfair methods of competition in commerce, and unfair or deceptive acts or practices in commerce, are hereby declared unlawful.

Unfair methods of competition.  
38 Stat. 719.  
15 U. S. C. § 45.  
Unfair or deceptive acts, etc., added.

"The Commission is hereby empowered and directed to prevent persons, partnerships, or corporations, except banks, common carriers subject to the Acts to regulate commerce, and persons, partnerships,

Prevention by Commission; exception.  
*Post*, p. 1028.

<sup>1</sup> So in original.

42 Stat. 159, 169.  
7 U. S. C. §§ 181-220;  
Supp. III, ch. 9.

Service of com-  
plaint.

Notice of hearing.

Appearance of ac-  
cused.

Intervention by  
other parties.

Testimony.

Report of findings.

Issuance of cease  
and desist order.

Modification, etc.

Reopening, altering,  
etc., of order.

*Proviso.*  
Right of appeal.

Review by appro-  
priate circuit court of  
appeals.

Transcript of record  
to be filed.

or corporations subject to the Packers and Stockyards Act, 1921, except as provided in section 406 (b) of said Act, from using unfair methods of competition in commerce and unfair or deceptive acts or practices in commerce.

“(b) Whenever the Commission shall have reason to believe that any such person, partnership, or corporation has been or is using any unfair method of competition or unfair or deceptive act or practice in commerce, and if it shall appear to the Commission that a proceeding by it in respect thereof would be to the interest of the public, it shall issue and serve upon such person, partnership, or corporation a complaint stating its charges in that respect and containing a notice of a hearing upon a day and at a place therein fixed at least thirty days after the service of said complaint. The person, partnership, or corporation so complained of shall have the right to appear at the place and time so fixed and show cause why an order should not be entered by the Commission requiring such person, partnership, or corporation to cease and desist from the violation of the law so charged in said complaint. Any person, partnership, or corporation may make application, and upon good cause shown may be allowed by the Commission to intervene and appear in said proceeding by counsel or in person. The testimony in any such proceeding shall be reduced to writing and filed in the office of the Commission. If upon such hearing the Commission shall be of the opinion that the method of competition or the act or practice in question is prohibited by this Act, it shall make a report in writing in which it shall state its findings as to the facts and shall issue and cause to be served on such person, partnership, or corporation an order requiring such person, partnership, or corporation to cease and desist from using such method of competition or such act or practice. Until the expiration of the time allowed for filing a petition for review, if no such petition has been duly filed within such time, or, if a petition for review has been filed within such time then until the transcript of the record in the proceeding has been filed in a circuit court of appeals of the United States, as hereinafter provided, the Commission may at any time, upon such notice and in such manner as it shall deem proper, modify or set aside, in whole or in part, any report or any order made or issued by it under this section. After the expiration of the time allowed for filing a petition for review, if no such petition has been duly filed within such time, the Commission may at any time, after notice and opportunity for hearing, reopen and alter, modify, or set aside, in whole or in part, any report or order made or issued by it under this section, whenever in the opinion of the Commission conditions of fact or of law have so changed as to require such action or if the public interest shall so require: *Provided, however,* That the said person, partnership, or corporation may, within sixty days after service upon him or it of said report or order entered after such a reopening, obtain a review thereof in the appropriate circuit court of appeals of the United States, in the manner provided in subsection (c) of this section.

“(c) Any person, partnership, or corporation required by an order of the Commission to cease and desist from using any method of competition or act or practice may obtain a review of such order in the circuit court of appeals of the United States, within any circuit where the method of competition or the act or practice in question was used or where such person, partnership, or corporation resides or carries on business, by filing in the court, within sixty days from the date of the service of such order, a written petition praying that the order of the Commission be set aside. A copy of such petition shall be forthwith served upon the Commission, and thereupon the Commission forthwith shall certify and file in the court a transcript

of the entire record in the proceeding, including all the evidence taken and the report and order of the Commission. Upon such filing of the petition and transcript the court shall have jurisdiction of the proceeding and of the question determined therein, and shall have power to make and enter upon the pleadings, evidence, and proceedings set forth in such transcript a decree affirming, modifying, or setting aside the order of the Commission, and enforcing the same to the extent that such order is affirmed, and to issue such writs as are ancillary to its jurisdiction or are necessary in its judgment to prevent injury to the public or to competitors *pendente lite*. The findings of the Commission as to the facts, if supported by evidence, shall be conclusive. To the extent that the order of the Commission is affirmed, the court shall thereupon issue its own order commanding obedience to the terms of such order of the Commission. If either party shall apply to the court for leave to adduce additional evidence, and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Commission, the court may order such additional evidence to be taken before the Commission and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper. The Commission may modify its findings as to the facts, or make new findings, by reason of the additional evidence so taken, and it shall file such modified or new findings, which, if supported by evidence, shall be conclusive, and its recommendation, if any, for the modification or setting aside of its original order, with the return of such additional evidence. The judgment and decree of the court shall be final, except that the same shall be subject to review by the Supreme Court upon certiorari, as provided in section 240 of the Judicial Code.

“(d) The jurisdiction of the circuit court of appeals of the United States to affirm, enforce, modify, or set aside orders of the Commission shall be exclusive.

“(e) Such proceedings in the circuit court of appeals shall be given precedence over other cases pending therein, and shall be in every way expedited. No order of the Commission or judgment of court to enforce the same shall in anywise relieve or absolve any person, partnership, or corporation from any liability under the Antitrust Acts.

“(f) Complaints, orders, and other processes of the Commission under this section may be served by anyone duly authorized by the Commission, either (a) by delivering a copy thereof to the person to be served, or to a member of the partnership to be served, or the president, secretary, or other executive officer or a director of the corporation to be served; or (b) by leaving a copy thereof at the residence or the principal office or place of business of such person, partnership, or corporation; or (c) by registering and mailing a copy thereof addressed to such person, partnership, or corporation at his or its residence or principal office or place of business. The verified return by the person so serving said complaint, order, or other process setting forth the manner of said service shall be proof of the same, and the return post office receipt for said complaint, order, or other process registered and mailed as aforesaid shall be proof of the service of the same.

“(g) An order of the Commission to cease and desist shall become final—

“(1) Upon the expiration of the time allowed for filing a petition for review, if no such petition has been duly filed within such time; but the Commission may thereafter modify or set aside its order to the extent provided in the last sentence of subsection (b); or

Jurisdiction.

Findings as to facts conclusive.

Court order.

Leave to adduce additional evidence.

Modification, etc., by Commission of findings as to fact.

Judgment and decree final; review by Supreme Court.  
36 Stat. 1157.  
28 U. S. C. § 347.

Exclusive jurisdiction of circuit court of appeals.

Proceedings given precedence.

Service of processes.

Verified return; proof of service.

Commission's order final.

Upon expiration of time for filing petition for review.



Upon expiration of time for filing petition for certiorari.

Upon denial of petition for certiorari.

Supreme Court mandate affirming Commission's order, etc.

Order modified or set aside by Supreme Court; when final.

By circuit court of appeals; when final.

Rehearing.

"Mandate" defined.

Penalty for violation.

False advertising.

Dissemination, etc.

By U. S. mails, etc.

"(2) Upon the expiration of the time allowed for filing a petition for certiorari, if the order of the Commission has been affirmed, or the petition for review dismissed by the circuit court of appeals, and no petition for certiorari has been duly filed; or

"(3) Upon the denial of a petition for certiorari, if the order of the Commission has been affirmed or the petition for review dismissed by the circuit court of appeals; or

"(4) Upon the expiration of thirty days from the date of issuance of the mandate of the Supreme Court, if such Court directs that the order of the Commission be affirmed or the petition for review dismissed.

"(h) If the Supreme Court directs that the order of the Commission be modified or set aside, the order of the Commission rendered in accordance with the mandate of the Supreme Court shall become final upon the expiration of thirty days from the time it was rendered, unless within such thirty days either party has instituted proceedings to have such order corrected to accord with the mandate, in which event the order of the Commission shall become final when so corrected.

"(i) If the order of the Commission is modified or set aside by the circuit court of appeals, and if (1) the time allowed for filing a petition for certiorari has expired and no such petition has been duly filed, or (2) the petition for certiorari has been denied, or (3) the decision of the court has been affirmed by the Supreme Court, then the order of the Commission rendered in accordance with the mandate of the circuit court of appeals shall become final on the expiration of thirty days from the time such order of the Commission was rendered, unless within such thirty days either party has instituted proceedings to have such order corrected so that it will accord with the mandate, in which event the order of the Commission shall become final when so corrected.

"(j) If the Supreme Court orders a rehearing; or if the case is remanded by the circuit court of appeals to the Commission for a rehearing, and if (1) the time allowed for filing a petition for certiorari has expired, and no such petition has been duly filed, or (2) the petition for certiorari has been denied, or (3) the decision of the court has been affirmed by the Supreme Court, then the order of the Commission rendered upon such rehearing shall become final in the same manner as though no prior order of the Commission had been rendered.

"(k) As used in this section the term 'mandate', in case a mandate has been recalled prior to the expiration of thirty days from the date of issuance thereof, means the final mandate.

"(1) Any person, partnership, or corporation who violates an order of the Commission to cease and desist after it has become final, and while such order is in effect, shall forfeit and pay to the United States a civil penalty of not more than \$5,000 for each violation, which shall accrue to the United States and may be recovered in a civil action brought by the United States."

SEC. 4. Such Act is further amended by adding at the end thereof new sections to read as follows:

"SEC. 12. (a) It shall be unlawful for any person, partnership, or corporation to disseminate, or cause to be disseminated, any false advertisement—

"(1) By United States mails, or in commerce by any means, for the purpose of inducing, or which is likely to induce, directly or indirectly the purchase of food, drugs, devices, or cosmetics; or

"(2) By any means, for the purpose of inducing, or which is likely to induce, directly or indirectly, the purchase in commerce of food, drugs, devices, or cosmetics.

"(b) The dissemination or the causing to be disseminated of any false advertisement within the provisions of subsection (a) of this section shall be an unfair or deceptive act or practice in commerce within the meaning of section 5.

"SEC. 13. (a) Whenever the Commission has reason to believe—

"(1) that any person, partnership, or corporation is engaged in, or is about to engage in, the dissemination or the causing of the dissemination of any advertisement in violation of section 12, and

"(2) that the enjoining thereof pending the issuance of a complaint by the Commission under section 5, and until such complaint is dismissed by the Commission or set aside by the court on review, or the order of the Commission to cease and desist made thereon has become final within the meaning of section 5, would be to the interest of the public,

the Commission by any of its attorneys designated by it for such purpose may bring suit in a district court of the United States or in the United States court of any Territory, to enjoin the dissemination or the causing of the dissemination of such advertisement. Upon proper showing a temporary injunction or restraining order shall be granted without bond. Any such suit shall be brought in the district in which such person, partnership, or corporation resides or transacts business.

"(b) Whenever it appears to the satisfaction of the court in the case of a newspaper, magazine, periodical, or other publication, published at regular intervals—

"(1) that restraining the dissemination of a false advertisement in any particular issue of such publication would delay the delivery of such issue after the regular time therefor, and

"(2) that such delay would be due to the method by which the manufacture and distribution of such publication is customarily conducted by the publisher in accordance with sound business practice, and not to any method or device adopted for the evasion of this section or to prevent or delay the issuance of an injunction or restraining order with respect to such false advertisement or any other advertisement,

the court shall exclude such issue from the operation of the restraining order or injunction.

"SEC. 14. (a) Any person, partnership, or corporation who violates any provision of section 12 (a) shall, if the use of the commodity advertised may be injurious to health because of results from such use under the conditions prescribed in the advertisement thereof, or under such conditions as are customary or usual, or if such violation is with intent to defraud or mislead, be guilty of a misdemeanor, and upon conviction shall be punished by a fine of not more than \$5,000 or by imprisonment for not more than six months, or by both such fine and imprisonment; except that if the conviction is for a violation committed after a first conviction of such person, partnership, or corporation, for any violation of such section, punishment shall be by a fine of not more than \$10,000 or by imprisonment for not more than one year, or by both such fine and imprisonment: *Provided*, That for the purposes of this section meats and meat food products duly inspected, marked, and labeled in accordance with rules and regulations issued under the Meat Inspection Act approved March 4, 1907, as amended, shall be conclusively presumed not injurious to health at the time the same leave official establishments."

Inducing, by any means, the purchase in commerce of food, drugs, etc.

Dissemination of false advertisement an unfair act, etc.  
*Ante*, p. 111.

Suit or injunction.

Venue.

Newspapers, or other publications.

If restraining of dissemination delays delivery of issue.

Delay due to method by which publication usually conducted.

Commodities injurious to health.  
*Ante*, p. 114.

Penalty.

Convictions for subsequent violations.

*Proviso*.  
Inspection, etc., under Meat Inspection Act of 1907.

34 Stat. 1260.  
21 U. S. C. §§ 71-81.

Liability of advertising mediums.

“(b) No publisher, radio-broadcast licensee, or agency or medium for the dissemination of advertising, except the manufacturer, packer, distributor, or seller of the commodity to which the false advertisement relates, shall be liable under this section by reason of the dissemination by him of any false advertisement, unless he has refused, on the request of the Commission, to furnish the Commission the name and post-office address of the manufacturer, packer, distributor, seller, or advertising agency, residing in the United States, who caused him to disseminate such advertisement. No advertising agency shall be liable under this section by reason of the causing by it of the dissemination of any false advertisement, unless it has refused, on the request of the Commission, to furnish the Commission the name and post-office address of the manufacturer, packer, distributor, or seller, residing in the United States, who caused it to cause the dissemination of such advertisement.

“SEC. 15. For the purposes of sections 12, 13, and 14—

Definitions for purposes of designated sections.  
“False advertisement.”

“(a) The term ‘false advertisement’ means an advertisement, other than labeling, which is misleading in a material respect; and in determining whether any advertisement is misleading, there shall be taken into account (among other things) not only representations made or suggested by statement, word, design, device, sound, or any combination thereof, but also the extent to which the advertisement fails to reveal facts material in the light of such representations or material with respect to consequences which may result from the use of the commodity to which the advertisement relates under the conditions prescribed in said advertisement, or under such conditions as are customary or usual. No advertisement of a drug shall be deemed to be false if it is disseminated only to members of the medical profession, contains no false representation of a material fact, and includes, or is accompanied in each instance by truthful disclosure of, the formula showing quantitatively each ingredient of such drug.

“Food.”

“(b) The term ‘food’ means (1) articles used for food or drink for man or other animals, (2) chewing gum, and (3) articles used for components of any such article.

“Drug.”

“(c) The term ‘drug’ means (1) articles recognized in the official United States Pharmacopœia, official Homœopathic Pharmacopœia of the United States, or official National Formulary, or any supplement to any of them; and (2) articles intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in man or other animals; and (3) articles (other than food) intended to affect the structure or any function of the body of man or other animals; and (4) articles intended for use as a component of any article specified in clause (1), (2), or (3); but does not include devices or their components, parts, or accessories.

“Device.”

“(d) The term ‘device’ (except when used in subsection (a) of this section) means instruments, apparatus, and contrivances, including their parts and accessories, intended (1) for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in man or other animals; or (2) to affect the structure or any function of the body of man or other animals.

“Cosmetic.”

“(e) The term ‘cosmetic’ means (1) articles to be rubbed, poured, sprinkled, or sprayed on, introduced into, or otherwise applied to the human body or any part thereof intended for cleansing, beautifying, promoting attractiveness, or altering the appearance, and (2) articles intended for use as a component of any such article; except that such term shall not include soap.

Enforcement provisions.

“SEC. 16. Whenever the Federal Trade Commission has reason to believe that any person, partnership, or corporation is liable to a penalty under section 14 or under subsection (1) of section 5, it shall certify the facts to the Attorney General, whose duty it shall be to

cause appropriate proceedings to be brought for the enforcement of the provisions of such section or subsection.

"SEC. 17. If any provision of this Act, or the application thereof to any person, partnership, corporation, or circumstance, is held invalid, the remainder of the Act and the application of such provision to any other person, partnership, corporation, or circumstance, shall not be affected thereby.

Separability clause.

"SEC. 18. This Act may be cited as the 'Federal Trade Commission Act'."

Short title.

SEC. 5. (a) In case of an order by the Federal Trade Commission to cease and desist, served on or before the date of the enactment of this Act, the sixty-day period referred to in section 5 (c) of the Federal Trade Commission Act, as amended by this Act, shall begin on the date of the enactment of this Act.

Orders served on or before date of enactment of this act.

(b) Section 14 of the Federal Trade Commission Act, added to such Act by section 4 of this Act, shall take effect on the expiration of sixty days after the date of the enactment of this Act.

Effective date of designated section.

Approved, March 21, 1938.

# [CHAPTER 50]

## AN ACT

To amend the Act approved February 7, 1913, so as to remove restrictions as to the use of the Little Rock Confederate Cemetery, and for other purposes.

March 26, 1938  
[S. 975]

[Public, No. 448]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 1 of the Act of Congress approved February 7, 1913 (37 Stat. 663), be, and the same is hereby, amended to read as follows:

Little Rock Confederate Cemetery, Ark.  
37 Stat. 663.

"That the Secretary of War is hereby authorized to accept a conveyance to the United States of the Confederate Cemetery in Little Rock, Arkansas, which adjoins the national cemetery at that place, and when so accepted the Government shall take care of and properly maintain and preserve the cemetery, its monument or monuments, headstones, and other marks of the graves, its walls, gates, and appurtenances, and preserve and keep a record, as far as reasonably practicable, of the names of those buried therein, with such history of each as can be obtained, and the said conveyance shall be such that it will permit the burial in said cemetery of all soldiers, sailors, or marines and all officers or men of the Coast Guard, dying in the service of the United States, or dying in a destitute condition after having been honorably discharged from the service, or who served, or hereafter shall have served, during any war in which the United States has been, or may hereafter be, engaged, and, with the consent of the Secretary of War, any citizen of the United States who served in the army or navy of any government at war with Germany or Austria during the World War and who died while in such service or after honorable discharge therefrom, as provided in Revised Statutes, 4878, amended by the Act of April 15, 1920 (41 Stat. 552; U. S. C., title 24, sec. 281), and the Act of June 13, 1935 (Public, Numbered 132, Seventy-fourth Congress), in addition to men who were in the military and naval service of the Confederate States of America: *Provided*, That the Secretary of War shall at all times leave sufficient space in said cemetery for the purpose of future burials of Confederate veterans: *Provided further*, That organized bodies of ex-Confederates or individuals shall have free and unrestricted entry to said cemetery for the purposes of burying worthy ex-Confederates, for decorating the graves, and for all other purposes which they have heretofore enjoyed, all under proper and reasonable regulations and restrictions made by the Secretary of War."

Acceptance by the Government.

Maintenance, etc.

Burial therein.

R. S. § 4878.  
41 Stat. 552; 49 Stat. 339.  
24 U. S. C. § 281; Supp. III, § 281.

*Provisos.*  
Space for future burials of Confederate veterans.  
Privileges provided for, under regulations.

Approved, March 26, 1938.

## [CHAPTER 51]

## AN ACT

March 26, 1938  
[S. 1986]  
[Public, No. 449]

To amend section 42 of title 7 of the Canal Zone Code and section 41 of the Act entitled "An Act to provide a civil government for Porto Rico, and for other purposes", approved March 2, 1917, as amended (U. S. C., 1934 edition, title 48, sec. 893).

Canal Zone Code,  
amendment.  
48 Stat. 1122.  
7 C. Z. Code § 42.

District judge, dis-  
trict attorney, and  
marshal.  
Appointment.  
Terms.

Continuance until  
successors qualify.

Leaves of absence.

Residence.  
Puerto Rico, civil  
government.

39 Stat. 965.  
48 U. S. C. § 863.

Judicial district of  
Puerto Rico.  
District judge.

District attorney;  
marshal.

Title and powers of  
district court.

Jurisdiction.

Naturalization of  
aliens and Puerto  
Ricans.

Controversies be-  
tween citizens of for-  
eign States, etc.

Salaries, from U. S.  
revenues.

Vacancies, etc.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 42 of title 7 of the Canal Zone Code be, and it is hereby, amended to read as follows:

"The district judge, district attorney, and marshal shall—

"a. be appointed by the President, by and with the advice and consent of the Senate, the judge for a term of eight years and the district attorney and marshal for terms of four years each;

"b. continue to discharge the duties of their respective offices, unless sooner removed by the President, until their successors are appointed and qualify in their stead;

"c. be allowed sixty days' leave of absence each year, with pay, under such regulations as the President may from time to time prescribe; and

"d. reside within the Canal Zone during their terms of office."

SEC. 2. That section 41 of the Act entitled "An Act to provide a civil government for Porto Rico, and for other purposes", approved March 2, 1917, as amended (U. S. C., 1934 edition, title 48, sec. 863), is amended to read as follows:

"Puerto Rico shall constitute a judicial district to be called 'the district of Puerto Rico'. The President, by and with the advice and consent of the Senate, shall appoint one district judge, who shall serve for a term of eight years and until his successor is appointed and qualified and whose salary shall be \$10,000 per annum. There shall be appointed in like manner a district attorney and a marshal for said district, each for a term of four years unless sooner removed by the President. The district court for said district shall be called 'the District Court of the United States for Puerto Rico', and shall have power to appoint all necessary officials and assistants, including the clerk, interpreter, and such commissioners as may be necessary, who shall be entitled to the same fees and have like powers and duties as are exercised and performed by United States commissioners. Such district court shall have jurisdiction of all cases cognizable in the district courts of the United States, and shall proceed in the same manner. In addition, said district court shall have jurisdiction for the naturalization of aliens and Puerto Ricans, and for this purpose residence in Puerto Rico shall be counted in the same manner as residence elsewhere in the United States. Said district court shall have jurisdiction of all controversies where all of the parties on either side of the controversy are citizens or subjects of a foreign State or States, or citizens of a State, Territory, or District of the United States not domiciled in Puerto Rico, wherein the matter in dispute exceeds, exclusive of interest or cost, the sum or value of \$3,000, and of all controversies in which there is a separable controversy involving such jurisdictional amount and in which all of the parties on either side of such separable controversy are citizens or subjects of the character aforesaid. The salaries of the judge and officials of the District Court of the United States for Puerto Rico, together with the court expenses, shall be paid from the United States revenues in the same manner as in other United States district courts. In case of vacancy or of the death, absence, or other legal disability on the part of the judge of the said District Court

of the United States for Puerto Rico, the President of the United States is authorized to designate one of the judges of the Supreme Court of Puerto Rico to discharge the duties of judge of said court until such absence or disability shall be removed, and thereupon such judge so designated for said service shall be fully authorized and empowered to perform the duties of said office during such absence or disability of such regular judge, and to sign all necessary papers and records as the acting judge of said court without extra compensation."

Approved, March 26, 1938.

## [CHAPTER 52]

## AN ACT

Authorizing the Superintendent of the United States Naval Academy, Annapolis, Maryland, to accept gifts and bequests of money for the purpose of erecting a building on land now owned by the United States Government at the Naval Academy, and for other purposes.

March 26, 1938

[S. 2463]

[Public, No. 450]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Superintendent of the United States Naval Academy is hereby authorized to accept gifts and bequests of money from the United States Naval Institute, the Navy Athletic Association, and others, and to use such money to construct a building for use as a United States Naval Academy Museum on land now owned by the United States at the United States Naval Academy, which construction is hereby authorized but shall involve no cost to the Government of the United States. The selection of the site and the design and general structure of the building shall be subject to the approval of the Secretary of the Navy.

United States Naval Academy.  
Superintendent authorized to accept gifts, etc., for erection of Museum building.

No cost to Government for construction.

SEC. 2. The Secretary of the Navy is hereby authorized to accept, on behalf of the United States, the building authorized to be constructed by this Act and to use and maintain such building as a United States Naval Academy Museum and for the administrative offices of the United States Naval Institute and the Navy Athletic Association.

Acceptance of building; use, etc.

SEC. 3. The Secretary of the Navy is hereby authorized to accept, receive, hold, administer, and expend gifts and bequests of personal property, and loans of personal property other than money, from individuals or others for the benefit of the aforesaid United States Naval Academy Museum, its collection, or its services. Gifts or bequests of money shall be deposited in the Treasury of the United States as trust funds under the title "United States Naval Academy Museum Fund", which funds will be subject to disbursement by the Secretary of the Navy for the purposes herein specified.

Gifts, loans, etc., of personal property.

Deposit of funds received; disbursements.

SEC. 4. Gifts or bequests for the benefit of the United States Naval Academy Museum, Annapolis, Maryland, its collection, or its services, shall be exempt from all Federal taxes.

Tax exemption.

SEC. 5. The Secretary of the Treasury is authorized, upon request of the Secretary of the Navy, to invest, reinvest, or retain investments of the money or securities composing the United States Naval Academy Museum fund, or any part thereof, deposited in the Treasury pursuant to section 3 of this Act, in securities of the United States Government or in securities guaranteed as to principal and interest by the United States Government. The interest and profits accruing from such securities may be deposited to the credit of the United States Naval Academy Museum, and will be available to disbursements as provided in section 3 of this Act.

Investments in securities.

Approved, March 26, 1938.

## [CHAPTER 53]

## AN ACT

March 26, 1938

[S. 3554]

[Public, No. 451]

Authorizing the appointment of an additional judge of the District Court for the Northern District of Alabama.

Alabama Northern  
Judicial District.  
Additional judge  
authorized.

Powers, etc., during  
absence of senior dis-  
trict judge.

Senior judge; vacan-  
cy occurring not to be  
filled.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the President is authorized to appoint, by and with the advice and consent of the Senate, one additional judge of the District Court of the United States for the Northern District of Alabama who in addition to the powers and authority of a district judge shall also have the powers and authority of senior district judge for said district when the senior judge has been absent from his active duties for three months and thereafter until the senior judge returns and actively resumes the duties of senior judge for said district.

SEC. 2. That whenever a vacancy shall occur in the office of the district judge for the northern district of Alabama by the retirement, resignation, or death of the judge senior in commission, such vacancy shall not be filled, and thereafter there shall be but one district judge in said district.

Approved, March 26, 1938.

## [CHAPTER 54]

## AN ACT

March 26, 1938

[S. 3655]

[Public, No. 452]

Amending section 312 of the Agricultural Adjustment Act of 1938.

Agricultural Adjust-  
ment Act of 1938,  
amendment.  
*Ante*, p. 47.

Burley tobacco.  
Marketing quotas  
for marketing year be-  
ginning Oct. 1, 1938.

Referendum.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 312 of the Agricultural Adjustment Act of 1938 is hereby amended by adding the following new subsection:

"(f) Notwithstanding any other provisions of this Act, the Secretary shall, within fifteen days after the enactment of this subsection (f), proclaim the amount of the total supply of burley tobacco for the marketing year therefor beginning October 1, 1937, and a national marketing quota shall be in effect for burley tobacco marketed during the marketing year for such tobacco beginning October 1, 1938. The Secretary shall also determine and specify in such proclamation the amount of such national marketing quota in terms of the total quantity of such tobacco which may be marketed, which will make available during the marketing year beginning October 1, 1938, a supply of such tobacco equal to the reserve supply level. The referendum with respect to such quota, pursuant to subsection (c) of this section, shall be held and the results thereof proclaimed within forty-five days after the enactment of this subsection (f)."

Approved, March 26, 1938.

## [CHAPTER 55]

## AN ACT

March 28, 1938

[H. R. 8947]

[Public, No. 453]

Making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1939, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

## TITLE I—TREASURY DEPARTMENT

Treasury and Post  
Office Departments,  
appropriations, fiscal  
year 1939.  
Title I—Treasury  
Department Appro-  
priation Act, 1939.

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Treasury Department for the fiscal year ending June 30, 1939, namely:

## OFFICE OF THE SECRETARY

**Salaries:** Secretary of the Treasury, Under Secretary of the Treasury, three Assistant Secretaries of the Treasury, and other personal services in the District of Columbia, including the temporary employment of experts, \$230,000: *Provided*, That in expending appropriations or portions of appropriations contained in this Act for the payment of personal services in the District of Columbia in accordance with the Classification Act of 1923, as amended, with the exception of the Assistant Secretaries of the Treasury and the Assistant Postmasters General, the average of the salaries of the total number of persons under any grade in any bureau, office, or other appropriation unit shall not at any time exceed the average of the compensation rates specified for the grade by such Act, as amended, and in grades in which only one position is allocated the salary of such position shall not exceed the average of the compensation rates for the grade, except that in unusually meritorious cases of one position in a grade advances may be made to rates higher than the average of the compensation rates of the grade, but not more often than once in any fiscal year, and then only to the next higher rate: *Provided further*, That this restriction shall not apply (1) to grades 1, 2, 3, and 4 of the clerical-mechanical service, (2) to require the reduction in salary of any person whose compensation was fixed, as of July 1, 1924, in accordance with the rules of section 6 of such Act, (3) to require the reduction in salary of any person who is transferred from one position to another position in the same or different grade in the same or a different bureau, office, or other appropriation unit, (4) to prevent the payment of a salary under any grade at a rate higher than the maximum rate of the grade when such higher rate is permitted by the Classification Act of 1923, as amended, and is specifically authorized by other law, or (5) to reduce the compensation of any person in a grade in which only one position is allocated.

**Old-age reserve account, Social Security Act:** For an amount sufficient as an annual premium for the payments required under title II of the Social Security Act, approved August 14, 1935 (42 U. S. C. 401), and authorized to be appropriated to the old-age reserve account established under section 201 (a) of the Act, \$360,000,000, together with the unexpended balance of the appropriation available for this purpose for the fiscal year 1938: *Provided*, That such amount shall be available until expended for making payments required under the Act, and the amounts not required for current payments shall be invested from time to time in such amounts and in such manner as the Secretary of the Treasury may deem most expedient in accordance with the provisions of such Act.

**Payments to the Federal Farm Mortgage Corporation on account of reductions in interest rate on mortgages:** To enable the Secretary of the Treasury to pay to the Federal Farm Mortgage Corporation such amount as the Governor of the Farm Credit Administration certifies to the Secretary of the Treasury is equal to the amount by which interest payments on mortgages held by such Corporation have been reduced during the fiscal year 1939, in accordance with the provisions of section 32 of the Emergency Farm Mortgage Act of 1933, approved May 12, 1933 (12 U. S. C. 1016), as amended, such payments to be made quarterly, beginning as soon as practicable after October 1, 1938, \$8,200,000.

**Payments to Federal land banks on account of reductions in interest rate on mortgages:** To enable the Secretary of the Treasury to pay each Federal land bank such amount as the Land Bank Commissioner certifies to the Secretary of the Treasury is equal to the

Office of the Secretary.

Salaries.

Experts.

*Provisos.*  
Salaries limited to average rates under Classification Act; exceptions.  
5 U. S. C. §§ 661-674; Supp. III, §§ 673, 673c.

Advances in meritorious cases.

Not applicable to clerical-mechanical service.  
No reduction in fixed salaries.  
5 U. S. C. § 666.  
Transfers without reduction.

Higher salary rates permitted.

If only one position in a grade.

Old-age reserve account, Social Security Act.  
49 Stat. 622.  
42 U. S. C., Supp. III, § 401.  
Unexpended balance available.

*Proviso.*  
Availability.

Investment of amounts not required for current payments.

Payments to Federal Farm Mortgage Corporation on account of reductions in interest rate on mortgages.

48 Stat. 48; 49 Stat. 300.  
12 U. S. C. § 1016; Supp. III, § 1016.

Payments to Federal land banks on account of reductions in interest rate on mortgages.



amount by which interest payments on mortgages held by such land bank have been reduced during the fiscal year 1939, and prior thereto, in accordance with the provisions of paragraph "Twelfth" of section 12 of the Federal Farm Loan Act (12 U. S. C. 771), as amended, \$20,500,000.

49 Stat. 1912; 50 Stat. 521.  
12 U. S. C., Supp. III, § 771.

Division of Research and Statistics.

Salaries.

Salaries: For personal services in the District of Columbia, \$170,000.

Office of General Counsel.

Salaries.

Salaries: For the General Counsel and other personal services in the District of Columbia, \$130,000.

Office of Chief Clerk.

Salaries.

Salaries: For the Chief Clerk and other personal services in the District of Columbia, \$145,000.

#### DIVISION OF RESEARCH AND STATISTICS

#### OFFICE OF GENERAL COUNSEL

#### OFFICE OF CHIEF CLERK

#### MISCELLANEOUS AND CONTINGENT EXPENSES, TREASURY DEPARTMENT

Department contingent expenses.  
Operating expenses, Department buildings.  
Books, periodicals, etc.

Traveling expenses.

Vehicles.

Fuel, light, power, etc.

Furniture, etc.

Streetcar fares.

Sales of lands and other property.

R. S. §§ 3749, 3750.  
40 U. S. C. §§ 301, 302.

Provisos.  
Additional funds.  
Post, pp. 125, 126, 128, 123.

For miscellaneous and contingent expenses of the office of the Secretary and the bureaus and offices of the Department, including operating expenses of the Treasury, Treasury Annex, Auditors', and Liberty Loan Buildings; newspaper clippings, financial journals, books of reference, law books, technical and scientific books, newspapers, and periodicals, expenses incurred in completing imperfect series, library cards, supplies, and all other necessary expenses connected with the library; not exceeding \$5,000 for traveling expenses, including the payment of actual transportation and subsistence expenses to any person whom the Secretary of the Treasury may from time to time invite to the city of Washington or elsewhere for conference and advisory purposes in furthering the work of the Department; freight, expressage, telegraph and telephone service; purchase and exchange of motor trucks, and maintenance and repair of motor trucks and three passenger automobiles (one for the Secretary of the Treasury and two for general use of the Department), all to be used for official purposes only; file holders and cases; fuel, oils, grease, and heating supplies and equipment; gas and electricity for lighting, heating, and power purposes, including material, fixtures, and equipment therefor; purchase, exchange, and repair of typewriters and labor-saving machines and equipment and supplies for same; floor covering and repairs thereto; furniture and office equipment, including supplies therefor and repairs thereto; awnings, window shades, and fixtures; cleaning supplies and equipment; drafting equipment; flags; hand trucks, ladders; miscellaneous hardware; streetcar fares not exceeding \$500; thermometers; lavatory equipment and supplies; tools and sharpening same; laundry service; laboratory supplies and equipment, removal of rubbish; postage; custody, care, protection, and expenses of sales of lands and other property of the United States, acquired and held under sections 3749 and 3750 of the Revised Statutes (40 U. S. C. 301, 302), the examination of titles, recording of deeds, advertising, and auctioneers' fees in connection therewith; and other absolutely necessary articles, supplies, and equipment not otherwise provided for; \$220,000: *Provided*, That the appropriations for the Public Debt Service, Internal Revenue Service, Federal Alcohol Administration, and Division of Disbursement for the fiscal year 1939 are hereby made available for the payment of items otherwise properly chargeable to this appropriation, the provisions of section 6, Act of August

23, 1912 (31 U. S. C. 669), to the contrary notwithstanding: *Provided further*, That section 3709 of the Revised Statutes (41 U. S. C. 5) shall not be construed to apply to any purchase or service rendered for the Treasury Department when the aggregate amount involved does not exceed the sum of \$50.

31 U. S. C. § 669.  
Minor purchases  
without advertising.  
R. S. § 3709.  
41 U. S. C. § 5.

#### CUSTODY OF DEPARTMENTAL BUILDINGS

Salaries of operating force: For the Superintendent of Treasury Buildings and for other personal services in the District of Columbia, including the operating force of the Treasury Building, the Treasury Annex, the Liberty Loan Building, the Auditors' Building, and of other buildings under the control of the Treasury Department, except the buildings of the Bureau of Engraving and Printing, \$327,800.

Custody of Departmental buildings.

Salaries of operating force.

Salaries and expenses, guard force: For salaries and expenses of the guard force for Treasury Department buildings in the District of Columbia, including the Bureau of Engraving and Printing, including not to exceed \$6,000 for purchase, repair, and cleaning of uniforms, and for the purchase of arms and ammunition and miscellaneous equipment, \$306,840: *Provided*, That this appropriation may be reimbursed in an amount not exceeding \$40,000, for service rendered in the Bureau of Engraving and Printing in connection with the protection of currency, bonds, stamps, and other papers of value the cost of producing which is not covered and embraced in the direct appropriations for such Bureau: *Provided further*, That the Secretary of the Treasury may detail an operative of the Secret Service to supervise such force.

Salaries and expenses, guard force.

*Proviso.*  
Reimbursement for designated service.

Secret Service supervisor.

#### DIVISION OF PRINTING

Salaries: For the Chief, Division of Printing, and other personal services in the District of Columbia, \$69,240.

Division of Printing.

Salaries.

Printing and binding: For printing and binding for the Treasury Department, including all of its bureaus, offices, institutions, and services located in Washington, District of Columbia, and elsewhere, and including materials for the use of the bookbinder, located in the Treasury Department, but not including work done at the New York Customhouse bindery authorized by the Joint Committee on Printing in accordance with the Act of March 1, 1919 (44 U. S. C. 111), and for the cost of transportation to field offices of printed and bound material, \$850,000.

Printing and binding.

Work excluded.

40 Stat. 1270.  
44 U. S. C. § 111.

Stationery: For stationery for the Treasury Department and its several bureaus and offices, and field services thereof, including tags, labels, and index cards, printed in the course of manufacturing, packing boxes and other materials necessary for shipping stationery supplies, and cost of transportation of stationery supplies purchased free on board point of shipment and of such supplies shipped from Washington to field offices, \$505,000.

Stationery.

#### OFFICE OF COMMISSIONER OF ACCOUNTS AND DEPOSITS

Salaries: For Commissioner of Accounts and Deposits and other personal services in the District of Columbia, including the Division of Bookkeeping and Warrants, \$350,000.

Accounts and Deposits office.

Salaries.

Division of Disbursement, salaries and expenses: For personal services in the District of Columbia and in the field, stationery, travel, rental of equipment, and all other necessary miscellaneous and contingent expenses, \$1,400,000: *Provided*, That with the approval of the Director of the Bureau of the Budget there may be transferred to this appropriation from funds available for the Agricultural Adjustment Administration (including transfers to the Bureau of

Division of Disbursement.  
Salaries and expenses.

*Proviso.*  
Transfer of funds from designated agencies for administrative expenses.

Contingent ex-  
penses, public moneys.  
R. S. § 3653.  
31 U. S. C. § 545.

Examination of de-  
positories.

R. S. § 3649.  
31 U. S. C. § 548.

Recoinage of minor  
coins.

Recoinage of silver  
coins.

Relief of the indi-  
gent, Alaska.

Refund of moneys  
erroneously received  
and covered.

48 Stat. 1231.  
31 U. S. C. § 725q.

Government losses  
in shipment (Revolv-  
ing Fund).

50 Stat. 479.  
5 U. S. C., Supp.  
III, § 134.

Payment of un-  
claimed moneys.

48 Stat. 1230.  
31 U. S. C. § 725p.

Internal Revenue for administrative expenses), Federal Housing Administration, United States Housing Authority, Federal Surplus Commodities Corporation, Federal Prison Industries, Railroad Retirement Board, Social Security Board, and the United States Maritime Commission, such sums as may be necessary to cover the expense incurred in performing the function of disbursement therefor.

Contingent expenses, public moneys: For contingent expenses under the requirements of section 3653 of the Revised Statutes (31 U. S. C. 545), for the collection, safe-keeping, transfer, and disbursement of the public money, transportation of notes, bonds, and other securities of the United States, transportation of gold coin, gold bullion, and gold certificates transferred to Federal Reserve banks and branches, United States mints and assay offices, and the Treasury, after March 9, 1933, actual expenses of examiners detailed to examine the books, accounts, and money on hand at the several depositories, including national banks acting as depositories under the requirements of section 3649 of the Revised Statutes (31 U. S. C. 548), also including examinations of cash accounts at mints, \$155,000.

Recoinage of minor coins: To enable the Secretary of the Treasury to continue the recoinage of worn and uncurrent minor coins of the United States now in the Treasury or hereafter received, and to reimburse the Treasurer of the United States for the difference between the nominal or face value of such coins and the amount the same will produce in new coins, \$25,000.

Recoinage of silver coins: To enable the Secretary of the Treasury to continue the recoinage of worn and uncurrent subsidiary silver coins of the United States now in the Treasury or hereafter received, and to reimburse the Treasurer of the United States for the difference between the nominal or face value of such coins and the amount the same will produce in new coins, \$475,000.

Relief of the indigent, Alaska: For the payment to the United States district judges in Alaska but not to exceed 10 per centum of the receipts from licenses collected outside of incorporated towns in Alaska, to be expended for the relief of persons in Alaska who are indigent and incapacitated through nonage, old age, sickness, or accident, \$20,000.

Refund of moneys erroneously received and covered: To enable the Secretary of the Treasury to meet any expenditures of the character formerly chargeable to the appropriation accounts abolished under section 18 of the Permanent Appropriation Repeal Act of 1934, approved June 26, 1934, and any other collections erroneously received and covered which are not properly chargeable to any other appropriation, \$40,000.

Fund for Payment of Government Losses in Shipment (Revolving Fund): For an additional amount for the revolving fund for payment of Government losses in shipment, created in accordance with the provisions of section 2 of the Government Losses in Shipment Act, approved July 8, 1937 (50 Stat. 479-484), including not to exceed \$1,000 for expenses other than personal services, incurred in the defense, safeguard or recovery of valuables, or the value thereof, replacement of which shall have been made out of the fund, or for which a claim for replacement shall have been made, \$100,000.

Payment of unclaimed moneys: To enable the Secretary of the Treasury to meet any expenditures of the character formerly chargeable to the appropriation accounts abolished under section 17 of the Permanent Appropriation Repeal Act of 1934, approved June 26, 1934, payable from the funds held by the United States in the trust fund receipt account "Unclaimed moneys of individuals whose whereabouts are unknown", \$12,000.

## PUBLIC DEBT SERVICE

Salaries and expenses: For necessary expenses connected with the administration of any public-debt issues and United States paper-currency issues with which the Secretary of the Treasury is charged, including the purchase of law books, directories, books of reference, pamphlets, periodicals, and newspapers, and the maintenance, operation, and repair of a motor-propelled bus or station wagon for use of the Destruction Committee, and including the Commissioner of the Public Debt and other personal services in the District of Columbia, \$2,300,000: *Provided*, That the amount to be expended for personal services in the District of Columbia shall not exceed \$2,271,500: *Provided further*, That the indefinite appropriation "Expenses of loans, Act of September 24, 1917, as amended and extended" (31 U. S. C. 760, 761), shall not be used during the fiscal year 1939 to supplement the appropriation herein made for the current work of the Public Debt Service and the amount obligated under such indefinite appropriation during such fiscal year shall not exceed \$3,500,000.

Distinctive paper for United States securities: For distinctive paper for United States currency and Federal Reserve bank currency, including transportation of paper, traveling, mill, and other necessary expenses, and salaries of employees and allowance, in lieu of expenses, of officer or officers detailed from the Treasury Department, not exceeding \$50 per month each when actually on duty; in all, \$1,050,000: *Provided*, That in order to foster competition in the manufacture of distinctive paper for United States securities, the Secretary of the Treasury is authorized, in his discretion, to split the award for such paper for the fiscal year 1939 between the two bidders whose prices per pound are the lowest received after advertisement.

## DIVISION OF APPOINTMENTS

Salaries: For the Chief of the Division, and other personal services in the District of Columbia, \$44,560.

## BUREAU OF CUSTOMS

Salaries and expenses: For collecting the revenue from customs, for the detection and prevention of frauds upon the customs revenue, and not to exceed \$100,000 for the securing of evidence of violations of the customs laws; for expenses of transportation and transfer of customs receipts from points where there are no Government depositories; not to exceed \$84,500 for allowances for living quarters, including heat, fuel, and light, as authorized by the Act approved June 26, 1930 (31 U. S. C. 118a), but not to exceed \$1,700 for any one person; not to exceed \$500 for subscriptions to newspapers; not to exceed \$1,500 for improving, repairing, maintaining, or preserving buildings, inspection stations, office quarters, including living quarters for officers, sheds and sites along the Canadian and Mexican borders acquired under authority of the Act of June 26, 1930 (19 U. S. C. 68); and including the purchase (not to exceed \$87,500), exchange, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles when necessary for official use in field work; \$20,850,000, of which such amount as may be necessary shall be available for the payment of extra compensation earned by customs officers or employees for overtime services, at the expense of the parties in interest, in accordance with the provisions of section 5 of the Act approved February 13, 1911, as amended by the Act approved February 7, 1920, and section 451 of the Tariff Act, 1930 (19 U. S. C. 261,

Public Debt Service.

Salaries and expenses.

Reference books, etc.

Services in the District.

*Provisos.*  
Limitation.

Use of indefinite appropriation restricted.  
31 U. S. C. §§ 760, 761.

Distinctive paper for U. S. securities.

Expenses.

*Proviso.*  
Division of award.

Division of Appointments.

Salaries.

Bureau of Customs.

Salaries and expenses.

Transfer of receipts from points lacking Government depositories.  
Living quarters.

46 Stat. 818.  
5 U. S. C. § 118a.  
Quarters along borders.

46 Stat. 817.  
19 U. S. C. § 68.  
Vehicles.

Overtime services, at expense of parties in interest.

36 Stat. 901; 41 Stat. 402; 46 Stat. 715.  
19 U. S. C. §§ 261, 267, 1451.

*Provisos.*  
Receipts deposited  
as refund to appro-  
priation.

46 Stat. 741.  
19 U. S. C. § 1524.  
Cost of seizures, etc.,  
under customs laws.

Details to District  
from field force.

46 Stat. 741.  
19 U. S. C. § 1525.  
Vehicle restriction.

Advance payments  
in foreign countries.  
R. S. § 3648.  
31 U. S. C., Supp.  
III, § 529b.  
Refunds and draw-  
backs.

Bureau of the  
Budget.

Salaries and ex-  
penses.  
Post, p. 1149.

Printing and bind-  
ing.

Office of Treasurer  
of the United States.  
Salaries.

Redeeming Federal  
Reserve and national  
currency.

Office of the Comptroller of the Currency.  
Salaries.

Personal services,  
Federal Reserve and  
national currency.

Bureau of Internal  
Revenue.

Salaries and ex-  
penses.

Commissioner, As-  
sistant General Coun-  
sel, and other personal  
services.

267, and 1451): *Provided*, That the receipts from such parties in interest for such overtime services shall be deposited as a refund to the appropriation from which such overtime compensation is paid, in accordance with the provisions of section 524 of the Tariff Act of 1930 (19 U. S. C. 1524); for the cost of seizure, storage, and disposition of any merchandise, vehicle and team, automobile, boat, air or water craft, or any other conveyance seized under the provisions of the customs laws, for the purchase of arms, ammunition, and accessories, and \$485,000 shall be available for personal services in the District of Columbia exclusive of ten persons from the field force authorized to be detailed under section 525 of the Tariff Act of 1930: *Provided*, That no part of this appropriation shall be expended for maintenance or repair of motor-propelled passenger-carrying vehicles for use in the District of Columbia except one for use in connection with the work of the customhouse in Georgetown: *Provided further*, That hereafter section 3648 of the Revised Statutes (31 U. S. C. 529b) shall not apply to payments made for the Bureau of Customs in foreign countries.

Refunds and drawbacks: For the refund or payment of customs collections or receipts, and for the payment of debentures or drawbacks, bounties, and allowances, as authorized by law, \$15,750,000.

#### BUREAU OF THE BUDGET

Salaries and expenses: Director, Assistant Director, and all other necessary expenses of the Bureau, including compensation of attorneys and other employees in the District of Columbia; contract stenographic reporting services, telegrams, telephone service, law books, books of reference, periodicals, stationery, furniture, office equipment, other supplies, traveling expenses, streetcar fares, \$187,000.

For printing and binding, \$35,000.

#### OFFICE OF TREASURER OF THE UNITED STATES

Salaries: For Treasurer of the United States, Assistant Treasurer, and for other personal services in the District of Columbia, \$1,150,000.

Salaries (reimbursable): For personal services in the District of Columbia, in redeeming Federal Reserve and national currency, \$71,620, to be reimbursed by the Federal Reserve and national banks.

#### OFFICE OF THE COMPTROLLER OF THE CURRENCY

Salaries: Comptroller of the Currency and other personal services in the District of Columbia, \$250,000.

Salaries (national currency (reimbursable)): For personal services in the District of Columbia in connection with Federal Reserve and national currency, \$9,240, to be reimbursed by the Federal Reserve and national banks.

#### BUREAU OF INTERNAL REVENUE

Salaries and expenses: For salaries and expenses in connection with the assessment and collection of internal-revenue taxes and the administration of the internal-revenue laws, including the administration of such provisions of other laws as are authorized by or pursuant to law to be administered by or under the direction of the Commissioner of Internal Revenue; including the Commissioner of Internal Revenue, Assistant General Counsel for the Bureau of Internal Revenue, an assistant to the Commissioner, a special deputy commissioner, five deputy commissioners, one stamp agent (to be

reimbursed by the stamp manufacturers), and the necessary officers, collectors, deputy collectors, attorneys, experts, agents, accountants, inspectors, investigators, chemists, supervisors, storekeeper-gaugers, guards, clerks, janitors, and messengers in the District of Columbia, the several collection districts, the several divisions of internal-revenue agents and the several supervisory districts, to be appointed as provided by law; the securing of evidence of violations of the Acts, the cost of chemical analyses made by others than employees of the United States and expenses incident to such chemists testifying when necessary; telegraph and telephone service, rent in the District of Columbia and elsewhere, postage, freight, express, necessary expenses incurred in making investigations in connection with the enrollment or disbarment of practitioners before the Treasury Department in internal-revenue matters, expenses of seizure and sale, and other necessary miscellaneous expenses, including stenographic reporting services; for the acquisition of property under the provisions of title III of the Liquor Law Repeal and Enforcement Act, approved August 27, 1935 (49 Stat. 872-881), and the operation, maintenance, and repair of property acquired under such title III; for the exchange, hire, maintenance, repair, and operation of motor-propelled or horse-drawn passenger-carrying vehicles when necessary, for official use of the Alcohol Tax Unit in field work; and the purchase of such supplies, equipment, furniture, mechanical devices, laboratory supplies, law books and books of reference, and such other articles as may be necessary for use in the District of Columbia, the several collection districts, the several divisions of internal-revenue agents, and the several supervisory districts, \$58,700,000, of which amount not to exceed \$11,428,520 may be expended for personal services in the District of Columbia: *Provided*, That no part of this amount shall be used in defraying the expenses of any officer designated above, subpoenaed by the United States court to attend any trial before a United States court or preliminary examination before any United States commissioner, which expenses shall be paid from the appropriation for "Fees of jurors and witnesses, United States courts": *Provided further*, That not more than \$100,000 of the total amount appropriated herein may be expended by the Commissioner of Internal Revenue for detecting and bringing to trial persons guilty of violating the internal-revenue laws or conniving at the same, including payments for information and detection of such violation.

For salaries and expenses in connection with carrying out the provisions of the Silver Purchase Act of 1934 and any Executive orders, proclamations, and regulations issued thereunder, including not to exceed \$14,000 for personal services in the District of Columbia, supplies and materials, traveling expenses, printing and binding, rents, equipment, and miscellaneous expenses, \$40,000.

Refunding internal-revenue collections: For refunding internal-revenue collections, as provided by law, including the payment of claims for the fiscal year 1939 and prior years and accounts arising under "Allowance or draw-back (Internal Revenue)", "Redemption of stamps (Internal Revenue)", "Refunding legacy taxes, Act of March 30, 1928", and "Repayment of taxes on distilled spirits destroyed by casualty", \$35,000,000: *Provided*, That a report shall be made to Congress by internal-revenue districts and alphabetically arranged of all disbursements hereunder in excess of \$500 as required by section 3 of the Act of May 29, 1928 (26 U. S. C. 1676), including the names of all persons and corporations to whom such payments are made, together with the amount paid to each.

Securing of evidence of law violations.

Miscellaneous expenses.

Acquisition of property.

49 Stat. 879.  
40 U. S. C., Supp. III, § 304h.  
Vehicles.

Supplies, furniture, etc.

*Provisos.*  
Expenses of officers attending trials, etc.

*Post*, p. 268.

Detection and prosecution of violations.

Expenses under Silver Purchase Act of 1934, etc.  
48 Stat. 1178.  
31 U. S. C. § 448.

Refunding collections.

45 Stat. 398.

*Proviso.*  
Detailed report to Congress of refunds.

45 Stat. 996.  
26 U. S. C. § 1676.

Alaska railroads,  
additional income tax.

Additional income tax on railroads in Alaska: For the payment to the Treasurer of Alaska of an amount equal to the tax of 1 per centum collected on the gross annual income of all railroad corporations doing business in Alaska, on business done in Alaska, which tax is in addition to the normal income tax collected from such corporations on net income, and the amount of such additional tax to be applicable to general Territorial purposes, \$8,800.

Federal Alcohol Administration.

#### FEDERAL ALCOHOL ADMINISTRATION

Salaries and expenses.

49 Stat. 977.  
27 U. S. C., Supp.  
III, §§ 201-212.

Salaries and expenses: For the purpose of administering the provisions of the "Federal Alcohol Administration Act", approved August 29, 1935 (49 Stat. 977), as amended, including personal and other services; supplies and materials; equipment; communication service; stationery; travel and subsistence expenses as authorized by law; maintenance, repair, and operation of automobiles; law books, books of reference, magazines, periodicals, and newspapers; contract stenographic reporting service; the securing of evidence of violations of the Act; and miscellaneous and contingent expenses, \$450,000.

Securing of evidence.

Bureau of Narcotics.

#### BUREAU OF NARCOTICS

Salaries and expenses.

38 Stat. 785.  
26 U. S. C. §§ 1383-  
1391, 1040-1064.  
35 Stat. 614; 42 Stat.  
596.  
21 U. S. C. §§ 171-  
184.  
50 Stat. 551.  
26 U. S. C., Supp.  
III, §§ 1399-1399q.  
44 Stat. 1381.  
5 U. S. C. § 281c.  
46 Stat. 585.  
5 U. S. C. §§ 282-  
282c.

Salaries and expenses: For expenses to enforce the Act of December 17, 1914 (26 U. S. C. 1383-1391), as amended by the Revenue Act of 1918 (26 U. S. C. 1040-1064), the Narcotic Drugs Import and Export Act, as amended (21 U. S. C. 171-184), and the Marihuana Tax Act of 1937 (50 Stat. 551-556); pursuant to the Act of March 3, 1927 (5 U. S. C. 281c), and the Act of June 14, 1930 (5 U. S. C. 282-282c), including the employment of executive officers, attorneys, agents, inspectors, chemists, supervisors, clerks, messengers, and other necessary employees in the field and in the Bureau of Narcotics in the District of Columbia, to be appointed as authorized by law; the securing of information and evidence of violations of the Acts; the costs of chemical analyses made by others than employees of the United States; the transportation of household and other personal effects incident to the change of headquarters of all employees engaged in field activities, not to exceed five thousand pounds in any one case, together with the necessary expenses incident to packing, crating, boxing, and draying same; the purchase of such supplies, equipment, mechanical devices, books, and such other expenditures as may be necessary in the several field offices; cost incurred by officers and employees of the Bureau of Narcotics in the seizure, storage, and disposition of property under the internal-revenue laws when the same is disposed of under section 3460, Revised Statutes (26 U. S. C. 1624); purchase (not to exceed \$10,000), exchange, hire, maintenance, repair, and operation of motor-propelled or horse-drawn passenger-carrying vehicles when necessary for official use in field work; purchase of arms and ammunition, and for rental of necessary quarters in the District of Columbia and elsewhere; in all, \$1,267,600, of which amount not to exceed \$186,568 may be expended for personal services in the District of Columbia: *Provided*, That the Secretary of the Treasury may authorize the use by narcotic agents of motor vehicles confiscated under the provisions of the Act of March 3, 1925 (27 U. S. C. 43), as amended, and to pay the cost of acquisition, maintenance, repair, and operation thereof: *Provided further*, That not exceeding \$10,000 may be expended for the collection and dissemination of information and appeal for law observance and law enforcement, including cost of printing, purchase of newspapers, and other necessary expenses in connection therewith and not exceeding \$1,500

Transportation of  
personal effects.

Seizures, etc.

R. S. § 3460.  
26 U. S. C. § 1624.

Rent.

Services in the District.

*Provisos.*  
Use of confiscated  
vehicles.  
43 Stat. 1116.  
19 U. S. C. §§ 522-  
524.

Law observance.

for attendance at meetings concerned with the work of the Bureau of Narcotics: *Provided further*, That not exceeding \$10,000 may be expended for services or information looking toward the apprehension of narcotic law violators who are fugitives from justice: *Provided further*, That moneys expended from this appropriation for the purchase of narcotics including marihuana, and subsequently recovered shall be reimbursed to the appropriation for enforcement of the Narcotic Acts current at the time of the deposit.

## COAST GUARD

Office of the Commandant: For personal services in the District of Columbia, \$389,240: *Provided*, That no part of any appropriation contained in this Act shall be used to pay any enlisted man of the Coast Guard while detailed for duty at Coast Guard headquarters if such detail increases the total number of enlisted men detailed on such duty at any time above ten.

For every expenditure requisite for and incident to the authorized work of the Coast Guard, including the expense of maintenance, repair, and operation of vessels forfeited to the United States and delivered to the Treasury Department under the terms of the Act approved March 3, 1925 (27 U. S. C. 41), maintenance, repair, exchange, and operation of motor-propelled passenger-carrying vehicles, to be used only for official purposes at headquarters and in the field, and the rental of quarters in the District of Columbia, as follows:

Pay and allowances: For pay and allowances prescribed by law for commissioned officers, cadets, warrant officers, petty officers, and other enlisted men, active and retired, temporary cooks, surfmen, substitute surfmen, and three civilian instructors, retired pay for certain members of the former Life Saving Service authorized by the Act approved April 14, 1930 (14 U. S. C. 178a), and not exceeding \$8,000 for cash prizes for men for excellence in boatmanship, gunnery, target practice, and engineering competitions; for carrying out the provisions of the Act of June 4, 1920 (34 U. S. C. 943); not to exceed \$7,500 for cost of special instruction, including maintenance of students; rations or commutation thereof for cadets, petty officers, and other enlisted men, mileage and expenses allowed by law for officers; and traveling expenses for other persons traveling on duty under orders from the Treasury Department, including transportation of cadets, enlisted men, and applicants for enlistment, with subsistence and transfers en route, or cash in lieu thereof; expenses of recruiting for the Coast Guard, rent of rendezvous, and expenses of maintaining the same; advertising for and obtaining men and apprentice seamen and applicants for appointment as cadets; transportation and packing allowances for baggage or household effects of commissioned officers, warrant officers, and enlisted men, \$18,037,000: *Provided*, That no part of this appropriation shall be used for increased pay at a rate in excess of \$1,440 per annum to any nonflying commissioned officer or commissioned officer observer for making aerial flights; which rate shall be the legal maximum rate of such increased pay as to any such officer;

Fuel and water: For fuel, lubricating oil, kerosene, and water, and for the furnishing of heat, light, and power (service) for vessels, stations, and houses of refuge, \$1,500,000;

Outfits: For outfits, including repairs to portable equipment at shore units, ship chandlery, engineers' stores, and draft animals and their maintenance, \$1,575,000;

Apprehension of fugitives from justice.

Credit for sums expended.

Coast Guard.

Office of the Commandant.  
*Proviso.*  
Details at headquarters restricted.

Service expenditures.

43 Stat. 1116.  
19 U. S. C. §§ 522-524.

Pay and allowances.

Retired members of former Life Saving Service.  
46 Stat. 164.  
14 U. S. C. § 178a.  
Cash prizes.

Death allowance.  
41 Stat. 824.  
34 U. S. C. § 943.

Traveling expenses.

Recruiting.

*Proviso.*  
Increased pay for aerial flights, limitations on amount.

Fuel and water.

Outfits, stores, etc.



Station improve- ments.	Rebuilding and repairing stations: For rebuilding and repairing stations and houses of refuge, temporary leases, rent, and improvements of property for Coast Guard purposes, including use of additional land where necessary, \$332,500;
Communication lines.	Communication lines: For coastal communication lines and facilities and their maintenance, and communication service, \$201,400;
Civilian field em- ployees.	Civilian employees: For compensation of civilian employees in the field, including clerks to district commanders and per diem labor, \$205,200;
Contingent expen- ses.	Contingent expenses: For contingent expenses, including subsistence of shipwrecked and destitute persons succored by the Coast Guard and of prisoners while in the custody of the Coast Guard; for the recreation, amusement, comfort, contentment, and health of the enlisted men of the Coast Guard, to be expended in the discretion of the Secretary of the Treasury, not exceeding \$40,000; instruments and apparatus, supplies, technical books and periodicals, services necessary to the carrying on of scientific investigation, and not exceeding \$4,000 for experimental and research work; care, transportation, and burial of deceased officers and enlisted men, including those who die in Government hospitals; apprehension of deserters; wharfage, towage, freight, storage, advertising, surveys, medals, newspapers, and periodicals for statistical purposes; entrance fees in matches for the rifle team, and special equipment therefor; and all other necessary expenses which are not included under any other heading; \$113,000;
Rifle matches, en- trance fees, etc.	
Repairs to vessels.	Repairs to vessels: For repairs to Coast Guard vessels and boats, exclusive of aircraft, including cost of salvage operations when incident to the repairs thereof, \$1,600,000;
Aircraft repairs.	For repairs to Coast Guard aircraft, including cost of salvage operations when incident to the repairs thereof, \$515,187;
Aviation shore sta- tions, etc., restrictions.	No part of the appropriations contained in this Act under the Coast Guard, nor of any appropriation heretofore made, shall be used for the construction for the Coast Guard of any new permanent aviation shore station or for the permanent enlargement of the capacity of any existing aviation shore station, but this limitation shall not apply to expenditures for completion of construction for which funds were made available prior to February 5, 1936;
Replacement air- planes. <i>Post</i> , p. 1151.	Replacement airplanes: For replacement airplanes and their equipment, including radio equipment, spare parts, and accessories, \$270,000;
Additional vessels. <i>Proviso</i> . Amount for admin- istrative expenses.	Additional vessels: For additional harbor cutters and their equipment, \$700,000, to be immediately available: <i>Provided</i> , That not to exceed 4 per centum of the amount appropriated for this purpose shall be available for administrative expenses in connection therewith;
<i>Proviso</i> . Aviation expenses. <i>Ante</i> , p. 129.	Total, Coast Guard, exclusive of Office of the Commandant, \$25,049,287: <i>Provided</i> , That not more than a total of \$1,924,820 out of the appropriations contained in this Act under the caption "Coast Guard" except the appropriations "Salaries, Office of the Commandant" and "Replacement airplanes", shall be expended for aviation.
Interchange of ap- propriations.	Interchange of appropriations: Such part of any appropriation for the Coast Guard, contained in this Act, except the appropriations "Pay and allowances", "Civilian employees", and "Salaries, Office of the Commandant", as may be necessary for freight and express charges on materials, supplies, and equipment, may be transferred, with the approval of the Director of the Bureau of the Budget, to the appropriation for contingent expenses of the Coast Guard in order to make such payments.

## BUREAU OF ENGRAVING AND PRINTING

For the work of engraving and printing, exclusive of repay work, during the fiscal year 1939, United States currency and internal-revenue stamps, including opium orders and special-tax stamps required under the Act of December 17, 1914 (26 U. S. C., 1040, 1383), checks, drafts, and miscellaneous work, as follows:

Salaries and expenses: For the Director, two Assistant Directors, and other personal services in the District of Columbia, including wages of rotary press plate printers at per diem rates and all other plate printers at piece rates to be fixed by the Secretary of the Treasury, not to exceed the rates usually paid for such work; for engravers' and printers' materials and other materials, including distinctive and nondistinctive paper, except distinctive paper for United States currency and Federal Reserve bank currency; equipment of, repairs to, and maintenance of buildings and grounds and for minor alterations to buildings; directories, technical books and periodicals, and books of reference, not exceeding \$300; traveling expenses not to exceed \$2,000; miscellaneous expenses, including not to exceed \$1,500 for articles approved by the Secretary of the Treasury as being necessary for the protection of the person of employees; for transfer to the Bureau of Standards for scientific investigations in connection with the work of the Bureau of Engraving and Printing, not to exceed \$15,000; and for the maintenance and driving of two motor-propelled passenger-carrying vehicles; \$9,200,000, to be expended under the direction of the Secretary of the Treasury.

During the fiscal year 1939 all proceeds derived from work performed by the Bureau of Engraving and Printing, by direction of the Secretary of the Treasury, not covered and embraced in the appropriation for such Bureau for such fiscal year, instead of being covered into the Treasury as miscellaneous receipts, as provided by the Act of August 4, 1886 (31 U. S. C. 176), shall be credited when received to the appropriation for said Bureau for the fiscal year 1939.

## SECRET SERVICE DIVISION

Salaries: For the Chief of the Division and other personal services in the District of Columbia, \$53,160.

Suppressing counterfeiting and other crimes: For salaries and other expenses under the authority or with the approval of the Secretary of the Treasury in detecting, arresting, and delivering into the custody of the United States marshal or other officer having jurisdiction, dealers and pretended dealers in counterfeit money, persons engaged in counterfeiting, forging, and altering United States notes, bonds, national-bank notes, Federal Reserve notes, Federal Reserve bank notes, and other obligations and securities of the United States and of foreign governments (including endorsements thereon and assignments thereof), as well as the coins of the United States and of foreign governments, and persons committing other crimes against the laws of the United States relating to the Treasury Department and the several branches of the public service under its control; purchase (not to exceed \$15,000), exchange, hire, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles when necessary; purchase of arms and ammunition; traveling expenses; and for no other purpose whatsoever, except in the performance of other duties specifically authorized by law, and in the protection of the person of the President and the members of his immediate family and of the person chosen to be President

Bureau of Engraving and Printing.

Work authorized for fiscal year 1939.

38 Stat. 786.  
26 U. S. C. §§ 1040, 1383.

Salaries and expenses.  
*Post*, p. 1152.

Materials, etc.

Reference books, etc.

Miscellaneous expenses.

Scientific investigations.

Vehicles.

Credit of proceeds from work.

24 Stat. 227.  
31 U. S. C. § 176.

Secret Service Division.

Salaries.

Suppressing counterfeiting, etc.

Other crimes.

Vehicles.

Protection of the President, etc.

*Provisos.*  
Witness fees.

Securing informa-  
tion concerning viola-  
tions, etc.

White House Police.

Uniforms and equip-  
ment.

Public Health Serv-  
ice.

Salaries, Office of  
Surgeon General.

Commissioned offi-  
cers, pay, etc.  
*Post*, p. 262.

Acting assistant  
surgeons, pay.

Pay of other em-  
ployees.

Freight, transpor-  
tation, etc.

46 Stat. 818.  
5 U. S. C. § 118a.

*Proviso.*  
Transporting re-  
mains of officers.

National Institute  
of Health.

Pay of personnel  
and maintenance of  
hospitals.

Medical examina-  
tions, etc.  
39 Stat. 885.  
8 U. S. C. § 152.

of the United States, \$810,000: *Provided*, That no part of the amount herein appropriated shall be used in defraying the expenses of any person subpoenaed by the United States courts to attend any trial before a United States court or preliminary examination before any United States commissioner, which expenses shall be paid from the appropriation for "Fees of witnesses and jurors, United States courts": *Provided further*, That of the amount herein appropriated, not to exceed \$10,000 may be expended in the discretion of the Secretary of the Treasury for the purpose of securing information concerning violations of the laws relating to the Treasury Department, and for services or information looking toward the apprehension of criminals.

White House Police: Captain, lieutenant, three sergeants, and for fifty-five privates, at rates of pay provided by law; in all, \$146,900.

For uniforming and equipping the White House Police, including the purchase, issue, and repair of revolvers, and the purchase and issue of ammunition and miscellaneous supplies, to be procured in such manner as the President in his discretion may determine, \$3,750.

#### PUBLIC HEALTH SERVICE

Salaries, Office of Surgeon General: For personal services in the District of Columbia, \$316,000.

Commissioned officers, pay, and so forth: For pay, allowance, and commutation of quarters for not to exceed 417 regular active commissioned officers (including the Surgeon General and assistant surgeons general) and for pay of regular commissioned officers on waiting orders, \$1,928,000.

Acting assistant surgeons, pay: For pay of acting assistant surgeons (noncommissioned medical officers), \$325,000.

Pay of other employees: For pay of all other employees (attendants, and so forth), \$950,000.

Freight, transportation, and so forth: For freight, transportation, and traveling expenses, including allowances for living quarters, including heat, fuel, and light, as authorized by the Act approved June 26, 1930 (5 U. S. C. 118a), not to exceed \$5,000 but not to exceed \$1,700 for any one person; the expenses, except membership fees, of officers when officially detailed to attend meetings for the promotion of public health; contract stenographic reporting services; not to exceed \$450 for journals and scientific books, office of the Surgeon General; and the packing, crating, drayage, and transportation of the personal effects of commissioned officers, scientific personnel, administrative assistants, aides, dietitians, pharmacists, and nurses of the Public Health Service, upon permanent change of station, \$25,450: *Provided*, That funds expendable for transportation and traveling expenses may also be used for preparation for shipment and transportation to their former homes of remains of officers who die in line of duty.

National Institute of Health, maintenance: For maintaining the National Institute of Health, \$64,000.

Pay of personnel and maintenance of hospitals: For medical examinations, including the amount necessary for the medical inspection of aliens, as required by section 16 of the Act of February 5, 1917 (8 U. S. C. 152), medical, surgical, and hospital services and supplies, including prosthetic and orthopedic supplies to be furnished under regulations approved by the Secretary of the Treasury, for beneficiaries (other than patients of the Veterans' Administration) of the Public Health Service and persons detained in hospitals of the Public Health Service under the immigration laws and regulations, including necessary personnel and reserve commissioned officers

of the Public Health Service, personal services in the District of Columbia and elsewhere, including the furnishing and laundering of white duck coats, trousers, smocks, aprons, and caps to employees whose duties make necessary the wearing of same, maintenance, minor repairs, equipment, leases, fuel, lights, water, freight, transportation and travel, the maintenance, exchange, and operation of motor trucks and passenger motor vehicles for official use in field work (including not to exceed \$3,000 for the purchase of motor-propelled passenger-carrying vehicles) and one for use in connection with the administrative work of the Public Health Service in the District of Columbia, purchase of ambulances, transportation, care, maintenance, and treatment of lepers, including transportation to their homes in the continental United States of recovered indigent leper patients, court costs and other expenses incident to proceedings heretofore or hereafter taken for commitment of mentally incompetent persons to hospitals for the care and treatment of the insane, and reasonable burial expenses (not exceeding \$100 for any patient dying in hospital), \$6,400,000: *Provided*, That the Immigration Service shall permit the Public Health Service to use the hospitals at Ellis Island Immigration Station for the care of Public Health Service patients free of expense for physical upkeep, but with a charge of actual cost of fuel, light, water, telephone, and similar supplies and services, to be covered into the proper Immigration Service appropriations; and money collected by the Immigration Service on account of hospital expenses of persons detained in hospitals of the Public Health Service under the immigration laws and regulations shall be covered into the Treasury as miscellaneous receipts: *Provided further*, That no part of this sum shall be used for the quarantine service, the prevention of epidemics, or scientific work of the character provided for under the appropriations which follow.

**Quarantine service:** For maintenance and ordinary expenses, exclusive of pay of officers and employees, of United States quarantine stations, including the exchange, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles for official use in field work and not to exceed \$9,500 for the purchase of motor-propelled passenger-carrying vehicles, \$281,250.

**Prevention of epidemics:** To enable the President, in case only of threatened or actual epidemic of infectious or contagious disease, to aid State and local boards or otherwise in his discretion, in preventing and suppressing the spread of the same, and in such emergency in the execution of any quarantine laws which may be then in force, \$280,000, including the purchase of newspapers and clippings from newspapers containing information relating to the prevalence of disease and the public health.

**Interstate quarantine service:** For cooperation with State and municipal health authorities in the prevention of the spread of contagious and infectious diseases in interstate traffic, including the purchase and exchange, not to exceed \$1,000, and maintenance, repair, and operation of passenger-carrying automobiles, \$36,500.

**Biologic products:** To regulate the propagation and sale of viruses, serums, toxins, and analogous products, including arsphenamine, and for the preparation of curative and diagnostic biologic products, including personal services of Reserve commissioned officers and other personnel, \$55,000.

**Division of Venereal Diseases:** For the maintenance and expenses of the Division of Venereal Diseases, established by sections 3 and 4, chapter XV, of the Act approved July 9, 1918 (42 U. S. C. 24, 25), including personal and other services in the field and in the District of Columbia, \$80,000, of which amount not to exceed \$19,500 may be expended for personal services in the District of Columbia.

Services in the District, etc.  
General expenses.

Vehicles.

Lepers, insane, etc.

*Provided.*  
Use of hospitals at Ellis Island Immigration Station.

Designated receipts to be covered into Treasury.

Uses forbidden.

Quarantine service.

Prevention of epidemics.

Interstate quarantine service.

Biologic products.  
Regulating sale of viruses, etc.

Division of Venereal Diseases, maintenance, etc.  
40 Stat. 886.  
42 U. S. C. §§ 24, 25.

Division of Mental Hygiene.

46 Stat. 587.

21 U. S. C. §§ 196, 225.

Lexington, Ky., and Fort Worth, Tex., hospitals.

45 Stat. 1085.

21 U. S. C. §§ 221-237.

Vehicles.

*Provides.*

U. S. Narcotic Farm, Fort Worth, Tex., change of designation.

Transfer of sum for equipment, purchase of livestock, etc.

Educational exhibits.

Grants to States for public-health work.

49 Stat. 634.

42 U. S. C., Supp. III, §§ 801, 802.

Diseases and sanitation investigations.

49 Stat. 635.

42 U. S. C., Supp. III, § 803.

37 Stat. 309.

42 U. S. C. § 1.

37 Stat. 414.

31 U. S. C. § 669.

Division of Mental Hygiene: For carrying out the provisions of section 4 of the Act of June 14, 1930 (21 U. S. C. 196, 225); for maintenance and operation of the United States Public Health Service Hospital, Lexington, Kentucky, and the United States Public Health Service Hospital of Fort Worth, Texas, in accordance with the provisions of the Act of January 19, 1929 (21 U. S. C. 221-237), including personal services in the District of Columbia (not to exceed \$32,000) and elsewhere; traveling expenses; firearms and ammunition; necessary supplies and equipment; reimbursement to the working capital fund for articles or services furnished by the industrial activities; subsistence and care of inmates; expenses incurred in pursuing and identifying escaped inmates, including rewards for their capture; expenses of interment or transporting remains of deceased inmates including the remains of persons voluntarily admitted; purchase and exchange of farm products and livestock; law books, books of reference, newspapers, and periodicals; furnishing and laundering of uniforms and other distinctive wearing apparel necessary for employees in the performance of their official duties; transportation when necessary, within continental United States and under regulations approved by the Secretary of the Treasury, of persons voluntarily admitted and discharged as cured; tobacco for inmates; purchase and exchange (not to exceed \$10,700), and maintenance, operation, and repair of motor-propelled passenger-carrying vehicles; \$950,000: *Provided*, That on and after July 1, 1938, the United States Narcotic Farm, Fort Worth, Texas, shall be known as United States Public Health Service Hospital, of Fort Worth, Texas, but such change in designation shall not affect the status of any person in connection therewith or the status of such institution under any Act applicable thereto: *Provided further*, That a sum not to exceed \$170,000 is authorized to be transferred from the funds available to the Procurement Division, Public Works Branch, for the construction of the United States Narcotic Farm, Fort Worth, Texas, to this appropriation and is hereby made available immediately for expenditure by the Public Health Service for further furnishing and equipping such narcotic farm, including the purchase of livestock.

Educational exhibits: For the preparation of public-health exhibits designed to demonstrate the cause, prevalence, methods of spread, and measures for preventing diseases dangerous to the public health, including personal services and the cost of acquiring, transporting, and displaying exhibit material, \$1,000.

Grants to States for public-health work: For the purpose of assisting States, counties, health districts, and other political subdivisions of the States in establishing and maintaining adequate public-health services, including the training of personnel for State and local health work, as authorized in sections 601 and 602, title VI, of the Social Security Act, approved August 14, 1935 (49 Stat., 634), \$8,000,000.

Diseases and sanitation investigations: For carrying out the provisions of section 603 of the Social Security Act, approved August 14, 1935, and section 1 of the Act of August 14, 1912, including rent and personnel and other services in the District of Columbia and elsewhere and items otherwise properly chargeable to the appropriations for printing and binding, stationery, and miscellaneous and contingent expenses for the Treasury Department, the provisions of section 6, Act of August 23, 1912 (31 U. S. C. 669), to the contrary notwithstanding, the packing, crating, drayage, and transportation of the personal effects of commissioned officers, scientific personnel,

pharmacists, administrative assistants, aides, dietitians, and nurses of the Public Health Service upon permanent change of station, and including the purchase (not to exceed \$2,500), exchange, maintenance, repair, and operation of passenger-carrying automobiles for official use in field work, \$1,600,000, of which not to exceed \$50,000 shall be available for investigations to determine the possibly harmful effects on human beings of spray insecticides on fruits and vegetables.

National Cancer Institute: For carrying into effect the provisions of section 7 (b) of the National Cancer Institute Act, approved August 5, 1937, \$400,000.

#### BUREAU OF THE MINT

##### OFFICE OF DIRECTOR OF THE MINT

Salaries: For the Director of the Mint and other personal services in the District of Columbia, \$38,520.

Transportation of bullion and coin: For transportation of bullion and coin, by registered mail or otherwise, between mints, assay offices, and bullion depositories, \$30,000.

Contingent expenses and examination of mints: For assay laboratory chemicals, fuel, materials, balances, weights, and other necessities, including books, periodicals, specimens of coins, ores, and incidentals, and for examination of mints, expense in visiting mints for the purpose of superintending the annual settlements, and for special examinations and for the collection of statistics relative to the annual production and consumption of the precious metals in the United States, \$6,000.

Salaries and expenses, mints and assay offices: For compensation of officers and employees of the mints at Philadelphia, Pennsylvania, San Francisco, California, Denver, Colorado, and New Orleans, Louisiana, the assay offices at New York, New York, and Seattle, Washington, and the bullion depositories at Fort Knox, Kentucky, and West Point, New York, and for incidental and contingent expenses, including traveling expenses, new machinery, and repairs, arms and ammunition, uniforms and accessories for guards, protective devices and their maintenance, training of employees in use of firearms and protective devices, maintenance, repair, and operation of a motor bus for use at the Fort Knox Bullion Depository, cases and enameling for medals manufactured, net wastage in melting and refining and in coining departments, loss on sale of sweeps arising from the treatment of bullion and the manufacture of coins, not to exceed \$500 for the expenses of the annual assay commission, not exceeding \$1,000, for the acquisition, at the dollar face amount or otherwise of specimen and rare coins, including United States and foreign gold coins and pieces of gold used as, or in lieu of, money, and ores, for addition to the Government's collection of such coins, pieces and ores, and including not to exceed \$213,000 for cost of transferring bullion to the West Point Depository, \$1,487,400.

Expenses, Silver Purchase and Gold Reserve Acts: For salaries and expenses in the Bureau of the Mint and the mints and assay offices in connection with carrying out the provisions of the Gold Reserve Act of 1934 and the Silver Purchase Act of 1934, and any Executive orders, proclamations, and regulations issued thereunder, including not to exceed \$67,500 for personal services in the District of Columbia, supplies and materials, travel, printing, rent, equipment, and miscellaneous expenses, \$750,000.

Automobiles.

National Cancer Institute.  
50 Stat. 562.  
42 U. S. C., Supp. III, § 137f (b).

Bureau of the Mint.

Salaries.

Transportation of bullion and coin.

Contingent expenses, etc.

Mints and assay offices.  
Salaries and expenses.

Protective devices.

Transfer of bullion to West Point Depository.

Expenses, Silver Purchase and Gold Reserve Acts.

48 Stat. 337, 1178.

Procurement Division, Public Buildings Branch.

Maintenance.  
35 Stat. 537.  
31 U. S. C. § 683.

#### PROCUREMENT DIVISION—PUBLIC BUILDINGS BRANCH

For carrying into effect the provisions of the Public Buildings Acts, as provided in section 6 of the Act of May 30, 1908 (31 U. S. C. 683), and for the repair, preservation, and upkeep of all completed public buildings under the control of the Treasury Department (other than life saving stations of the United States Coast Guard), the mechanical equipment and the grounds thereof, and sites acquired for buildings, and for the operation of certain completed and occupied Treasury buildings, including furniture and repairs thereof, but exclusive, with respect to operation, of buildings of the United States Coast Guard, of hospitals, quarantine stations, and other Public Health Service buildings, mints, bullion depositories, and assay offices, the Treasury, Treasury Annex, Liberty Loan, and Auditors' Buildings:

General administrative expenses.  
*Post*, p. 1153.

General administrative expenses: For architectural, engineering, mechanical, administrative, clerical, and other personal services, traveling expenses, including expenses of employees directed by the Secretary of the Treasury to attend meetings of technical and professional societies and educational exhibits in connection with subjects related to the work of the Division of Procurement, Public Buildings Branch, and transportation of household goods, incident to change of headquarters of all employees engaged in field activities, not to exceed five thousand pounds at any one time, together with the necessary expenses incident to packing and draying same; advertising, not exceeding \$1,000 for expenses of educational exhibits, specifically approved by the Secretary of the Treasury, testing instruments, law books, books of reference, technical periodicals and journals, drafting materials, especially prepared paper, typewriting machines, adding machines, and other mechanical labor-saving devices, and exchange of same, carpets, electric-light fixtures, furniture, equipment, and repairs thereto, telegraph and telephone service, freight, expressage, and postage incident to the transportation of drawings to and from the office and such other contingencies, articles, services, or supplies as the Secretary of the Treasury may deem necessary and specially order or approve in connection with any of the work of the Procurement Division, Public Buildings Branch; rent in the District of Columbia and elsewhere, including ground rent of the Federal building at Salamanca, New York, for which payment may be made in advance, and including such expenses necessary to wind up the affairs of the United States Housing Corporation and effect its dissolution; \$914,220, of which amount not to exceed \$502,360 may be expended for personal services in the District of Columbia and not to exceed \$275,860 for personal services in the field: *Provided*, That the foregoing appropriations shall not be available for the cost of surveys, plaster models, progress photographs, test pits and borings, or mill and shop inspections, but the cost thereof shall be construed to be chargeable against the construction appropriations of the respective projects to which they relate: *Provided further*, That no expenditures shall be made hereunder for transportation of operating supplies for public buildings: *And provided further*, That in no case shall the rates of compensation for the mechanical labor force in the field under this appropriation be in excess of the rates current at the time and in the place where such services are employed.

Salamanca, N. Y.,  
ground rent.

Services in the District.

Provisos.  
Cost of surveys,  
models, etc.

Transporting operating supplies.

Pay rates, mechanical labor force.

Repair, preservation, and equipment, public buildings.

Repair, preservation, and equipment, public buildings: For repairs, alterations, improvement, and preservation of completed Federal buildings (including Marcus Hook), the grounds and approaches

thereof, wharves, and piers, together with the necessary dredging adjacent thereto, and care and safeguarding, not otherwise provided for, of sites acquired for Federal buildings, including tools and materials for the use of the custodial and mechanical force, wire partitions and insect screens, installation and repair of mechanical equipment, gas, and electric-light fixtures, conduits, wiring, platform scales, and tower clocks; vaults and lockbox equipment in all buildings under construction or completed, and for necessary safe equipments in buildings under the administration of the Treasury Department, including repairs thereto, and changes in, maintenance of, and repairs to the pneumatic-tube system in New York City installed under franchise of the city of New York, approved June 29, 1909, and June 11, 1928, and the payment of any obligations arising thereunder in accordance with the provisions of the Acts approved August 5, 1909 (36 Stat. 120), and May 15, 1928 (45 Stat. 533), \$2,750,000: *Provided*, That the appropriation herein made shall not be available for the payment of personal services, except for work done under contract, or for temporary job labor under exigency in an amount not to exceed \$100 at one time at any one building: *Provided further*, That the total expenditures for the fiscal year for the repair and preservation of buildings not reserved by the vendors on sites acquired for buildings or the enlargement of buildings and the installation and repair of the mechanical equipment thereof shall not exceed 20 per centum of the annual rental of such buildings.

Operating force for public buildings: For personal services, including also telephone operators for the operation of telephone switchboards or equivalent telephone switching equipment jointly serving in each case two or more governmental activities, \$1,585,900: *Provided*, That in no case shall the rates of compensation for the mechanical labor force under this appropriation be in excess of the rates current at the time and in the place where such services are employed.

Furniture and repairs of furniture, public buildings: For furniture, carpets, and repairs of same, for certain completed and occupied Treasury buildings, and for public buildings in course of construction which are to be operated by the Public Buildings Branch, \$50,000: *Provided*, That the foregoing appropriation shall not be used for personal services except for work done under contract or for temporary job labor under exigency and not exceeding at one time the sum of \$100 at any one building: *Provided further*, That all furniture now owned by the United States in other public buildings or in buildings rented by the United States shall be used, so far as practicable, whether it corresponds with the present regulation plan for furniture or not.

Operating supplies, public buildings: For fuel, steam, gas for lighting and heating purposes, water, ice, lighting supplies, electric current for lighting, heating, and power purposes, telephone service for custodial forces; removal of ashes and rubbish, snow, and ice; cutting grass and weeds, washing towels, and miscellaneous items for use of the custodial forces in the care and maintenance of such public buildings, the grounds thereof, and the equipment and furnishings therein; temporary job labor under exigency not exceeding at one time the sum of \$100 at any one building; miscellaneous supplies, tools, and appliances required in the operation (not embracing repairs) of the mechanical equipment, including heating, plumbing, hoisting, gas piping, ventilating, vacuum-cleaning, air-conditioning and refrigerating apparatus, electric-light plants, meters, interior pneumatic tube and intercommunicating telephone systems, conduit

Pneumatic tube system, New York City.

36 Stat. 120; 45 Stat. 533.

*Proviso.*  
Personal services,  
restriction.

Limitation on repair, etc.

Operating force for public buildings.

*Proviso.*  
Wage rates.

Furniture, etc.

*Proviso.*  
Personal services,  
restriction.

Use of present furniture.

Operating supplies.  
Fuel, light, power,  
etc.

Miscellaneous.



*Proviso.*  
Contracts for tele-  
phone switchboards,  
etc.

wiring, call bell and signal systems in such buildings, and for the transportation of articles or supplies, authorized herein; \$466,350: *Provided*, That this appropriation shall be available for contracts for telephone switchboards or equivalent telephone-switching equipment jointly serving in each case two or more governmental activities in buildings under the Treasury Department where it is found that joint service is economical and in the interest of the Government, and this appropriation shall be reimbursed for the cost of such joint service from available appropriations of the offices receiving the service.

Construction out-  
side the District.

Construction of public buildings outside of the District of Columbia: For continuation of construction of, and acquisition of sites for, public buildings outside of the District of Columbia, including the purposes and objects, and subject to the limitations, specified under this head in the Third Deficiency Appropriation Act, fiscal year 1937, \$11,000,000.

50 Stat. 773.

Government Print-  
ing Office, annex build-  
ings.  
Limit of cost in-  
creased.

Government Printing Office, annex buildings, Washington, District of Columbia: For continuation of construction of annex buildings for the Government Printing Office, \$2,500,000; and the limit of cost for this project is hereby increased from \$5,885,000, as authorized in the Second Deficiency Appropriation Act, fiscal year 1935, approved August 12, 1935, to \$7,700,000, which sum shall include the completion of annex building numbered three, the remodeling, rewiring, and installation of new elevators in buildings numbered one and two, and all furniture and the cost of moving machinery in connection with the entire project: *Provided*, That any unexpended balances of appropriations for such project unobligated on the date of completion thereof shall revert to the Treasury.

49 Stat. 600.

*Proviso.*  
Reversionary provi-  
sion.

Relief of Govern-  
ment contractors.  
Losses due to com-  
pliance with codes.

Payment of claims for relief of contractors, Act of June 16, 1934: To enable the Secretary of the Treasury to make payment of claims settled and certified by the Comptroller General of the United States under the provisions of the Act entitled "An Act to provide relief to Government contractors whose costs of performance were increased as a result of compliance with the Act approved June 16, 1933, and for other purposes", approved June 16, 1934 (41 U. S. C. 28), the unexpended balance of the appropriation available for this purpose for the fiscal year 1938 is continued available until June 30, 1939.

48 Stat. 974.  
41 U. S. C. § 28.  
Unexpended bal-  
ance continued avail-  
able.

50 Stat. 153.

#### PROCUREMENT DIVISION—BRANCH OF SUPPLY

Procurement Divi-  
sion, Branch of Sup-  
ply.  
Salaries and ex-  
penses.

Salaries and expenses: For the Director of Procurement and other personal services in the District of Columbia and in the field service, and for miscellaneous expenses, including office supplies and materials, purchase and exchange of motor trucks and maintenance thereof, telegrams, telephone service, traveling expenses, office equipment, fuel, light, electric current, and other expenses for carrying into effect regulations governing the procurement, warehousing, and distribution by the Procurement Division of the Treasury Department of property, equipment, stores, and supplies in the District of Columbia and in the field (including not to exceed \$500 to settle claims for damages caused to private property by motor vehicles used by the Procurement Division), \$480,000: *Provided*, That the Secretary of the Treasury is authorized and directed during the fiscal year 1939 to transfer to this appropriation from any appropriations or funds available to the several departments and establishments of the Government such amounts as may be approved by the Director of the Bureau of the Budget, not to exceed the amount of the annual compensation of employees heretofore or hereafter transferred or detailed to the Procurement Division, Branch of Supply,

Damage claims.

*Provisos.*  
Transfer of funds to  
Branch of Supply.

respectively, from any such department or establishment, where the transfer or detail of such employees was or will be incident to a transfer of a function or functions to that Division: *Provided further*, That payments during the fiscal year 1939 to the general supply fund for materials, supplies (including fuel), and services, and overhead expenses, for all issues shall be made on the books of the Treasury Department by transfer and counter-warrants prepared by the Procurement Division of the Treasury Department and countersigned by the Comptroller General, such warrants to be based solely on itemized invoices prepared by the Procurement Division at issue prices to be fixed by the Director of Procurement: *Provided further*, That advances received pursuant to law (31 U. S. C. 686) from departments and establishments of the United States Government and the government of the District of Columbia during the fiscal year 1939 shall be credited to the general supply fund: *Provided further*, That not to exceed \$700,000 shall be available from the general supply fund during the fiscal year 1939 for personal services: *Provided further*, That the term "fuel" shall be held to include "fuel oil": *Provided further*, That the requirements of sections 3711 and 3713 of the Revised Statutes (40 U. S. C. 109) relative to the weighing of coal and wood and the separate certificate as to the weight, measurement, or quantity of coal and wood purchased shall not apply to purchases by the Procurement Division at free-on-board destination outside of the District of Columbia: *Provided further*, That the reconditioning and repair of surplus property and equipment, for disposition or reissue to Government service, may be made at cost by the Procurement Division, payment therefor to be effected by charging the proper appropriation and crediting the appropriation "Salaries and expenses, Branch of Supply, Procurement Division".

Repairs to typewriting machines (except bookkeeping and billing machines) in the Government service in the District of Columbia may be made at cost by the Procurement Division, payment therefor to be effected by charging the proper appropriation and crediting the appropriation "Salaries and expenses, Procurement Division, Branch of Supply".

No part of any money appropriated by this or any other Act shall be used during the fiscal year 1939 for the purchase of any standard typewriting machines, except bookkeeping and billing machines, at a price in excess of the following for models with carriages which will accommodate paper of the following widths, to wit: Ten inches (correspondence models), \$70; twelve inches, \$75; fourteen inches, \$77.50; sixteen inches, \$82.50; eighteen inches, \$87.50; twenty inches, \$94; twenty-two inches, \$95; twenty-four inches, \$97.50; twenty-six inches, \$103.50; twenty-eight inches, \$104; thirty inches, \$105; thirty-two inches, \$107.50; or, for standard typewriting machines distinctively quiet in operation, the maximum prices shall be as follows for models with carriages which will accommodate paper of the following widths, to wit: Ten inches, \$80; twelve inches, \$85; fourteen inches, \$90; eighteen inches, \$95.

With the approval of the Director of the Bureau of the Budget, there may be transferred sums (not exceeding a total of \$400,000) to the appropriations, "Salaries, Office of Treasurer of United States, 1939", "Contingent expenses, Treasury Department, 1939", "Printing and binding, Treasury Department, 1939", and "Stationery, Treasury Department, 1939", from funds available for the Agricultural Adjustment Administration, Home Owners' Loan Corporation, Farm Credit Administration, Tennessee Valley Authority, Federal Farm Mortgage Corporation, Reconstruction Finance Corporation,

Payments for materials, etc., issued.

Advances credited to general supply fund.

47 Stat. 417.  
31 U. S. C. § 686.

Personal services.

"Fuel" construed.

Separate certificate waived.  
R. S. §§ 3711, 3713.  
40 U. S. C. § 109.

Cost of reconditioning equipment.

Typewriter repairs, etc.

Prices of standard typewriting machines; exceptions.

Check clearance, etc., expenses.

Federal land banks and other banks and corporations under the supervision of the Farm Credit Administration, Railroad Retirement Board, Soil Conservation Service, including Soil Conservation and Domestic Allotment, Social Security Board, Federal Housing Administration, United States Housing Authority, Civilian Conservation Corps, and corporations and banks under the Federal Home Loan Bank Board to cover the expenses incurred on account of such respective activities in clearing of checks, servicing of bonds, handling of collections, and rendering of accounts therefor.

Miscellaneous items,  
Treasury Department.

#### MISCELLANEOUS ITEMS, TREASURY DEPARTMENT

##### AMERICAN PRINTING HOUSE FOR THE BLIND

American Printing  
House for the Blind,  
expenses.

To enable the American Printing House for the Blind more adequately to provide books and apparatus for the education of the blind in accordance with the provisions of the Act approved February 8, 1927 (20 U. S. C. 101), \$115,000.

44 Stat. 1060.  
20 U. S. C. § 101.  
Short title.

This title may be cited as the "Treasury Department Appropriation Act, 1939".

Title II—Post Office  
Department Appropriation Act, 1939.

#### TITLE II—POST OFFICE DEPARTMENT

5 Stat. 80.  
5 U. S. C. § 380; 39  
U. S. C. § 786.

The following sums are appropriated in conformity with the Act of July 2, 1836 (5 U. S. C. 380, 39 U. S. C. 786), for the Post Office Department for the fiscal year ending June 30, 1939, namely:

Post Office Department,  
Washington,  
D. C.  
Office of Postmaster  
General.

##### POST OFFICE DEPARTMENT, WASHINGTON, DISTRICT OF COLUMBIA

##### OFFICE OF THE POSTMASTER GENERAL

Salaries.

Salaries: For the Postmaster General and other personal services in the office of the Postmaster General in the District of Columbia, \$228,344.

Salaries in bureaus  
and offices.

##### SALARIES IN BUREAUS AND OFFICES

Amounts.

For personal services in the District of Columbia in bureaus and offices of the Post Office Department in not to exceed the following amounts, respectively:

Office of the First Assistant Postmaster General, \$387,000.  
Office of the Second Assistant Postmaster General, \$580,520.  
Office of the Third Assistant Postmaster General, \$788,000.  
Office of the Fourth Assistant Postmaster General, \$470,000.  
Office of the Solicitor for the Post Office Department, \$81,280.  
Office of the chief inspector, \$230,000.  
Office of the purchasing agent, \$47,240.  
Bureau of Accounts, \$104,930.

Department con-  
tingent expenses.

##### CONTINGENT EXPENSES, POST OFFICE DEPARTMENT

Stationery, etc.

For contingent and miscellaneous expenses; stationery and blank books, index and guide cards, folders and binding devices, including purchase of free penalty envelopes; telegraph and telephone service, furniture and filing cabinets and repairs thereto; purchase, exchange, maintenance, and repair of tools, electrical supplies, typewriters, adding machines, and other labor-saving devices; maintenance of motor trucks and of two motor-driven passenger-carrying vehicles, to be used only for official purposes (one for the Postmaster General and one for the general use of the Department); street-car fares;

Vehicles.

floor coverings; postage stamps for correspondence addressed abroad, which is not exempt under article 49 of the London convention of the Universal Postal Union; purchase and exchange of law books, books of reference, railway guides, city directories, and books necessary to conduct the business of the Department; newspapers, not exceeding \$200; expenses, except membership fees, of attendance at meetings or conventions concerned with postal affairs, when incurred on the written authority of the Postmaster General, not exceeding \$2,000; expenses of the purchasing agent and of the Solicitor and attorneys connected with his office while traveling on business of the Department, not exceeding \$800; and other expenses not otherwise provided for; \$84,500.

For printing and binding for the Post Office Department, including all of its bureaus, offices, institutions, and services located in Washington, District of Columbia, and elsewhere, \$1,150,000.

Appropriations hereinafter made for the field service of the Post Office Department, except as otherwise provided, shall not be expended for any of the purposes hereinbefore provided for on account of the Post Office Department in the District of Columbia: *Provided*, That the actual and necessary expenses of officials and employees of the Post Office Department and Postal Service, when traveling on official business, may continue to be paid from the appropriations for the service in connection with which the travel is performed, and appropriations for the fiscal year 1939 of the character heretofore used for such purposes shall be available therefor: *Provided further*, That appropriations hereinafter made, except such as are exclusively for payment of compensation, shall be immediately available for expenses in connection with the examination of estimates for appropriations in the field including per-diem allowances in lieu of actual expenses of subsistence.

#### FIELD SERVICE, POST OFFICE DEPARTMENT

##### OFFICE OF THE POSTMASTER GENERAL

Travel expenses, Postmaster General and Assistant Postmasters General: For travel and miscellaneous expenses in the Postal Service, offices of the Postmaster General and Assistant Postmasters General, \$3,000.

Personal or property damage claims: To enable the Postmaster General to pay claims for damages, occurring during the fiscal year 1939, or in prior fiscal years, to persons or property in accordance with the provisions of the Deficiency Appropriation Act, approved June 16, 1921 (U. S. C., title 5, sec. 392), as amended by the Act approved June 22, 1934 (48 Stat. 1207), \$35,000.

Adjusted losses and contingencies, postal funds: To enable the Postmaster General to pay to postmasters, Navy mail clerks, and assistant Navy mail clerks or credit them with the amount ascertained to have been lost or destroyed during the fiscal year 1939, or prior fiscal years, through burglary, fire, or other unavoidable casualty resulting from no fault or negligence on their part, as authorized by the Act approved March 17, 1882, as amended, \$225,000.

##### OFFICE OF CHIEF INSPECTOR

Salaries of inspectors: For salaries of fifteen inspectors in charge of divisions and five hundred and ninety-five inspectors, \$2,284,000.

Traveling and miscellaneous expenses: For traveling expenses of inspectors, inspectors in charge, the chief post-office inspector, and

Correspondence addressed abroad.  
49 Stat. 2768.

Attendance at meetings.

Printing and binding.

Field service appropriations not to be used for Department.

*Provisos.*  
Travel expenses.

Use in examining field estimates.

Field Service.

Postmaster General.

Travel, etc., expenses.

Damage claims.

42 Stat. 63; 48 Stat. 1207.  
5 U. S. C. § 392.  
Adjusted losses and contingencies.

22 Stat. 29.  
39 U. S. C. § 49.

Office of Chief Inspector.

Inspectors, salaries.

Traveling and miscellaneous expenses.

Investigations, etc.	the assistant chief post-office inspector, and for the traveling expenses of four clerks performing stenographic and clerical assistance to post-office inspectors in the investigation of important fraud cases; for tests, exhibits, documents, photographs, office and other necessary expenses incurred by post-office inspectors in connection with their official investigations, including necessary miscellaneous expenses of division headquarters, and not to exceed \$500 for technical and scientific books and other books of reference needed in the operation of the Post Office Inspection Service, \$625,000: <i>Provided</i> , That not exceeding \$22,400 of this sum shall be available for transfer by the Postmaster General to other departments and independent establishments for chemical and other investigations.
<i>Proviso.</i> Chemical, etc., investigations.	Clerks, division headquarters: For compensation of one hundred and ninety-four clerks at division headquarters of post-office inspectors, \$475,850.
Payment of rewards.	Payment of rewards: For payment of rewards for the detection, arrest, and conviction of post-office burglars, robbers, highway mail robbers, and persons mailing or causing to be mailed any bomb, infernal machine, or mechanical, chemical, or other device or composition which may ignite or explode, \$55,000: <i>Provided</i> , That rewards may be paid in the discretion of the Postmaster General, when an offender of the classes mentioned was killed in the act of committing the crime or in resisting lawful arrest: <i>Provided further</i> , That no part of this sum shall be used to pay any rewards at rates in excess of those specified in Post Office Department Order 9273, dated July 25, 1936: <i>Provided further</i> , That of the amount herein appropriated not to exceed \$20,000 may be expended, in the discretion of the Postmaster General, for the purpose of securing information concerning violations of the postal laws and for services and information looking toward the apprehension of criminals.
<i>Provisos.</i> Death of offender.	
Rate limitation.	
Securing information.	
First Assistant Postmaster General.	OFFICE OF THE FIRST ASSISTANT POSTMASTER GENERAL
Compensation to postmasters.	Compensation to postmasters: For compensation to postmasters, including compensation as postmaster to persons who, pending the designation of an acting postmaster, assume and properly perform the duties of postmaster in the event of a vacancy in the office of postmaster of the third or fourth class, and for allowances for rent, light, fuel, and equipment to postmasters of the fourth class, \$49,550,000.
Assistant postmasters.	Compensation to assistant postmasters: For compensation to assistant postmasters at first- and second-class post offices, \$6,950,000.
Clerks, etc., first- and second-class offices.	Clerks, first- and second-class post offices: For compensation to clerks and employees at first- and second-class post offices, including auxiliary clerk hire at summer and winter post offices, printers, mechanics, skilled laborers, watchmen, messengers, laborers, and substitutes, \$199,000,000.
Clerks, contract stations.	Clerks, contract stations: For compensation to clerks in charge of contract stations, \$1,542,500.
Separating mails.	Separating mails: For separating mails at third- and fourth-class post offices, \$410,000.
Unusual conditions.	Unusual conditions: For unusual conditions at post offices, \$75,000.
Clerks, third-class offices.	Clerks, third-class post offices: For allowances to third-class post offices to cover the cost of clerical services, \$7,450,000.
Miscellaneous, first- and second-class offices.	Miscellaneous items, first- and second-class post offices: For miscellaneous items necessary and incidental to the operation and protection of post offices of the first and second classes, and the business conducted in connection therewith, not provided for in other appropriations, \$2,000,000.

Village delivery service: For village delivery service in towns and villages having post offices of the second or third class, and in communities adjacent to cities having city delivery, \$1,675,000.

Detroit River service: For Detroit River postal service, \$11,460.

Carfare and bicycle allowance: For carfare and bicycle allowance, including special-delivery carfare, \$1,325,000.

City delivery carriers: For pay of letter carriers, City Delivery Service, \$138,750,000.

Special-delivery fees: For fees to special-delivery messengers, \$8,200,000.

#### OFFICE OF THE SECOND ASSISTANT POSTMASTER GENERAL

Star-route service: For inland transportation by star routes (excepting service in Alaska), including temporary service to newly established offices, and not to exceed \$50,000 for Government-operated star-route service, \$10,900,000.

Star-route service, Alaska: For inland transportation by star routes in Alaska, \$206,000.

Power-boat service: For inland transportation by steamboat or other power-boat routes, including ship, steamboat, and way letters, \$1,200,000.

Railroad transportation and mail messenger service: For inland transportation by railroad routes and for mail messenger service, \$107,900,000: *Provided*, That separate accounts be kept of the amount expended for mail messenger service: *Provided further*, That there may be expended from this appropriation for clerical and other assistance in the District of Columbia not exceeding the sum of \$45,000 to carry out the provisions of section 5 of the Act of July 28, 1916 (39 U. S. C. 562) (the space basis Act), and not exceeding the sum of \$33,050 to carry out the provisions of section 214 of the Act of February 28, 1925 (39 U. S. C. 826) (cost ascertainment).

Railway Mail Service: For fifteen division superintendents, fifteen assistant division superintendents, two assistant superintendents at large, one hundred and twenty-one chief clerks, one hundred and twenty-one assistant chief clerks, clerks in charge of sections in the offices of division superintendents, railway postal clerks, substitute railway postal clerks, joint employees, and laborers in the Railway Mail Service, \$57,500,000.

Railway postal clerks, travel allowance: For travel allowance to railway postal clerks and substitute railway postal clerks, \$3,150,000.

Railway Mail Service, traveling expenses: For actual and necessary expenses, general superintendent and assistant general superintendent, division superintendents, assistant division superintendents, assistant superintendents, chief clerks, and assistant chief clerks, Railway Mail Service, and railway postal clerks, while actually traveling on business of the Post Office Department and away from their several designated headquarters, \$60,000.

Railway Mail Service, miscellaneous expenses: For rent, light, heat, fuel, telegraph, miscellaneous and office expenses, telephone service, badges for railway postal clerks, purchase, rental, repair, and exchange of arms and miscellaneous items necessary for the protection of the mails, rental of space for terminal railway post offices for the distribution of mails when the furnishing of space for such distribution cannot, under the Postal Laws and Regulations, properly be required of railroad companies without additional compensation, and for equipment and miscellaneous items necessary to terminal railway post offices, \$460,000.

Electric- and cable-car service: For electric- and cable-car service, \$335,000.

Village delivery service.

Detroit River service.

Carfare and bicycle allowance.

City delivery carriers.

Special-delivery fees.

Second Assistant Postmaster General.

Star routes, except in Alaska.  
*Post*, p. 1144.

Alaska.

Power-boat service.

Railroad transportation and mail messenger service.

*Provisos*.  
Separate accounting, messenger service.  
Services in the District.

39 Stat. 429; 43 Stat. 1069.  
39 U. S. C. §§ 562, 826.

Railway Mail Service.  
Division superintendents, etc.

Railway postal clerks, travel allowance.

Railway Mail Service, traveling expenses.

Miscellaneous expenses.

Arms, etc., for mail protection.

Terminal offices, rent.

Electric- and cable-car service.

Foreign mail transportation.  
*Post*, p. 1144.  
*Provisos*.  
Aircraft allowance; restriction.

Sea post service.

Assistant Director,  
Division of International Postal Service.

Expenses, delegates to Congress of the Universal Postal Union.

Balances due foreign countries.

Contract Air Mail Service.  
*Post*, pp. 988, 1144.

Indemnities, international mail.

Rural Delivery Service.

Third Assistant Postmaster General.

Stamps, stamped paper, postal cards, etc.

Indemnities, domestic mail.

Unpaid money orders more than one year old.

Fourth Assistant Postmaster General.

Stationery, etc.

Postal Savings System, supplies.

**Foreign mail transportation:** For transportation of foreign mails by steamship, aircraft, or otherwise, \$14,787,275: *Provided*, That not to exceed \$10,842,275 of this sum may be expended for carrying foreign mail by aircraft under contracts which will not create obligations for the fiscal year 1940 in excess of such amount: *Provided further*, That the Postmaster General is authorized to expend such sums as may be necessary, not to exceed \$170,000, to cover the cost to the United States for maintaining sea post service on ocean steamships conveying the mails to and from the United States, including the salary of the Assistant Director, Division of International Postal Service, with headquarters at New York City: *Provided further*, That not to exceed \$12,000 of this appropriation shall be available for expenses of delegates designated from the Post Office Department by the Postmaster General to the Congress of the Universal Postal Union to be held during the fiscal year 1939, to be expended in the discretion of the Postmaster General and accounted for on his certificate notwithstanding the provisions of any other law.

**Balances due foreign countries:** For balances due foreign countries, fiscal year 1939 and prior years, \$1,000,000.

**Contract Air Mail Service:** For the inland transportation of mail by aircraft and for personal services for examining and auditing the books, records, and accounts of air mail contractors, as authorized by law, and for the incidental expenses thereof, including not to exceed \$31,200 for supervisory officials and clerks at air-mail transfer points, and not to exceed \$53,700 for personal services in the District of Columbia and incidental and travel expenses, \$16,650,000.

**Indemnities, international mail:** For payment of limited indemnity for the injury or loss of international mail in accordance with convention, treaty, or agreement stipulations, fiscal year 1939 and prior years, \$15,000.

**Rural Delivery Service:** For pay of rural carriers, auxiliary carriers, substitutes for rural carriers on annual and sick leave, clerks in charge of rural stations, and tolls and ferriage, Rural Delivery Service, and for the incidental expenses thereof, \$91,960,000, of which not less than \$250,000 shall be available for extensions and new service.

#### OFFICE OF THE THIRD ASSISTANT POSTMASTER GENERAL

**Manufacture and distribution of stamps and stamped paper:** For manufacture of adhesive postage stamps, special-delivery stamps, books of stamps, stamped envelopes, newspaper wrappers, postal cards, and for coiling of stamps, and including not to exceed \$22,500 for pay of agent and assistants to examine and distribute stamped envelopes and newspaper wrappers, and for expenses of agency, \$4,500,000.

**Indemnities, domestic mail:** For payment of limited indemnity for the injury or loss of pieces of domestic registered matter, insured and collect-on-delivery mail, and for failure to remit collect-on-delivery charges, \$575,000.

**Unpaid money orders more than one year old:** For payment of domestic money orders after one year from the last day of the month of issue of such orders, \$150,000.

#### OFFICE OF THE FOURTH ASSISTANT POSTMASTER GENERAL

**Post office stationery, equipment, and supplies:** For stationery for the Postal Service, including the money-order and registry system; and also for the purchase of supplies for the Postal Savings System, including rubber stamps, canceling devices, certificates, envelopes,

and stamps for use in evidencing deposits, and free penalty envelopes; and for the reimbursement of the Secretary of the Treasury for expenses incident to the preparation, issue, and registration of the bonds authorized by the Act of June 25, 1910 (39 U. S. C. 760); for miscellaneous equipment and supplies, including the purchase and repair of furniture, package boxes, posts, trucks, baskets, satchels, straps, letter-box paint, baling machines, perforating machines, duplicating machines, printing presses, directories, cleaning supplies, and the manufacture, repair, and exchange of equipment, the erection and painting of letter-box equipment, and for the purchase and repair of presses and dies for use in the manufacture of letter boxes; for postmarking, rating, money-order stamps, and electrotype plates and repairs to same; metal, rubber, and combination type, dates and figures, type holders, ink pads for canceling and stamping purposes, and for the purchase, exchange, and repair of typewriting machines, envelope-opening machines, and computing machines, numbering machines, time recorders, letter balances, scales (exclusive of dormant or built-in platform scales in Federal buildings), test weights, and miscellaneous articles purchased and furnished directly to the Postal Service, including complete equipment and furniture for post offices in leased and rented quarters; for the purchase, repair, and replacement of arms and miscellaneous items necessary for the protection of the mails; for miscellaneous expenses in the preparation and publication of post-route maps and rural delivery maps or blueprints, including tracing for photolithographic reproduction; for other expenditures necessary and incidental to post offices of the first, second, and third classes, and offices of the fourth class having or to have rural delivery service, and for letter boxes; for the purchase of atlases and geographical and technical works not to exceed \$1,500; for wrapping twine and tying devices; for expenses incident to the shipment of supplies, including hardware, boxing, packing, and not exceeding \$57,500 for the pay of employees in connection therewith in the District of Columbia; for rental, purchase, exchange, and repair of canceling machines and motors, mechanical mail-handling apparatus, accident prevention, and other labor-saving devices, including cost of power in rented buildings and miscellaneous expenses of installation and operation of same, including not to exceed \$35,000 for salaries of thirteen traveling mechanics, and for traveling expenses, \$2,700,000: *Provided*, That the Postmaster General may authorize the sale to the public of post-route maps and rural delivery maps or blueprints at the cost of printing and 10 per centum thereof added.

Equipment shops, Washington, District of Columbia: For the purchase, manufacture, and repair of mail bags and other mail containers and attachments, mail locks, keys, chains, tools, machinery, and material necessary for same, and for incidental expenses pertaining thereto; material, machinery, and tools necessary for the manufacture and repair of such other equipment for the Postal Service as may be deemed expedient; accident prevention; for the expenses of maintenance and repair of the mail bag equipment shops building and equipment, including fuel, light, power, and miscellaneous supplies and services; for compensation to labor employed in the equipment shops and in the operation, care, maintenance, and protection of the equipment shops building, \$1,600,000, of which not to exceed \$635,000 may be expended for personal services in the District of Columbia: *Provided*, That out of this appropriation the Postmaster General is authorized to use as much of the sum, not exceeding \$15,000, as may be deemed necessary for the purchase of material and the manufacture in the equipment shops of such small

Bond expenses.

36 Stat. 817.  
39 U. S. C. § 760.  
Miscellaneous  
equipment, etc.

Letter boxes.

Postmarking, etc.,  
stamps.Purchase, etc., of  
typewriting machines.Furniture, etc.,  
rented quarters.Post-route maps,  
etc.Twine and tying  
devices.Services in the Dis-  
trict.

Traveling mechani-  
cians.  
*Proviso*.  
Sale of maps, etc.

Equipment shops,  
material, etc.Services in the Dis-  
trict.

*Proviso*.  
Distinctive equip-  
ments for executive  
departments, Alaska,  
etc.



quantities of distinctive equipments as may be required by other executive departments; and for service in Alaska, Puerto Rico, Philippine Islands, Hawaii, or other island possessions.

Rent, light, fuel, and water.

Rent, light, fuel, and water: For rent, light, fuel, and water, for first-, second-, and third-class post offices, and the cost of advertising for lease proposals for such offices, \$11,250,000.

Pneumatic-tube service.

Pneumatic-tube service: For the rental of not exceeding two miles of pneumatic tubes, not including labor and power in operating the same, for the transmission of mail in the city of Boston, Massachusetts, \$24,000: *Provided*, That the provisions not inconsistent herewith of the Acts of April 21, 1902 (39 U. S. C., 423), and May 27, 1908 (39 U. S. C., 423), relating to the transmission of mail by pneumatic tubes or other similar devices shall be applicable hereto.

*Proviso.*  
Provisions applicable.  
32 Stat. 114; 35 Stat. 412.  
39 U. S. C. § 423.

Vehicle service.

Vehicle service: For vehicle service; the hire of vehicles; the rental of garage facilities; the purchase, exchange, maintenance, and repair of motor vehicles; accident prevention; the hire of supervisors, clerical assistance, mechanics, drivers, garage men, and such other employees as may be necessary in providing vehicles and vehicle service for use in the collection, transportation, delivery, and supervision of the mail, \$15,300,000: *Provided*, That the Postmaster General may, in his disbursement of this appropriation, apply a part thereof to the leasing of quarters for the housing of Government-owned motor vehicles at a reasonable annual rental for a term not exceeding ten years: *Provided further*, That the Postmaster General, during the fiscal year 1939, may purchase and maintain from the appropriation "Vehicle service" such tractors and trailer trucks as may be required in the operation of the vehicle service: *Provided further*, That no part of this appropriation shall be expended for maintenance or repair of motor-propelled passenger-carrying vehicles for use in connection with the administrative work of the Post Office Department in the District of Columbia.

*Provisos.*  
Housing of Government-owned vehicles.

Tractors and trailer trucks.

Maintenance, etc., of vehicles, restriction on use of funds.

Transportation of equipment and supplies.

Transportation of equipment and supplies: For the transportation and delivery of equipment, materials, and supplies for the Post Office Department and Postal Service by freight, express, or motor transportation, and other incidental expenses, \$330,000.

Public buildings.

#### PUBLIC BUILDINGS, MAINTENANCE AND OPERATION

Operating force.

Operating force: For personal services in connection with the operation of public buildings, including the Washington Post Office and the Customhouse Building in the District of Columbia, operated by the Post Office Department, together with the grounds thereof and the equipment and furnishings therein, including telephone operators for the operation of telephone switchboards or equivalent telephone switchboard equipment in such buildings jointly serving in each case two or more governmental activities, \$19,650,000, of which sum not less than \$187,737 shall be available for adjustment of the compensation of employees on an annual salary basis who have completed one year of satisfactory service prior to July 1, 1938, and who have not, before such date, received an advance in pay: *Provided*, That in no case shall the rates of compensation for the mechanical labor force be in excess of the rates current at the time and in the place where such services are employed.

*Proviso.*  
Pay rates.

Operating supplies.

Operating supplies, public buildings: For fuel, steam, gas, and electric current for lighting, heating, and power purposes, water, ice, lighting supplies, removal of ashes and rubbish, snow and ice, cutting grass and weeds, washing towels, telephone service for custodial forces, and for miscellaneous services and supplies, accident

prevention, tools and appliances, for the operation of completed and occupied public buildings and grounds, including mechanical and electrical equipment, but not the repair thereof, operated by the Post Office Department, including the Washington Post Office and the Customhouse Building in the District of Columbia, and for the transportation of articles and supplies authorized herein, \$5,150,000: *Provided*, That the foregoing appropriation shall not be available for personal services except for work done by contract, or for temporary job labor under exigency not exceeding at one time the sum of \$100 at any one building: *Provided further*, That the Postmaster General is authorized to contract for telephone service in public buildings under his administration by means of telephone switchboards or equivalent telephone-switching equipment jointly serving in each case two or more governmental activities, where he determines that joint service is economical and in the interest of the Government, and to secure reimbursement for the cost of such joint service from available appropriations for telephone expenses of the bureaus and offices receiving the same.

*Prorisos.*  
Personal services, restriction.

Contracts for telephone service.

Furniture, carpets, and safes, public buildings: For the procurement, including transportation, of furniture, carpets, safes, safe and vault protective devices, and repairs of same, for use in public buildings which are now, or may hereafter be, operated by the Post Office Department, \$625,000: *Provided*, That, excepting expenditures for labor for or incidental to the moving of equipment from or into public buildings, the foregoing appropriation shall not be used for personal services except for work done under contract or for temporary job labor under exigency and not exceeding at one time the sum of \$100 at any one building: *Provided further*, That all furniture now owned by the United States in other public buildings or in buildings rented by the United States shall be used, so far as practicable, whether it corresponds with the present regulation plan of furniture or not.

Furniture, equipment, etc.

*Prorisos.*  
Personal services, restriction.

Use of present furniture.

Scientific investigations: In the disbursement of appropriations contained in this title for the field service of the Post Office Department the Postmaster General may transfer to the Bureau of Standards not to exceed \$20,000 for scientific investigations in connection with the purchase of materials, equipment, and supplies necessary in the maintenance and operation of the Postal Service.

Scientific investigations.  
Transfer of funds to Bureau of Standards.

Deficiency in postal revenues: If the revenues of the Post Office Department shall be insufficient to meet the appropriations made under title II of this Act, a sum equal to such deficiency in the revenues of such Department is hereby appropriated, to be paid out of any money in the Treasury not otherwise appropriated, to supply such deficiency in the revenues of the Post Office Department for the fiscal year ending June 30, 1939, and the sum needed may be advanced to the Post Office Department upon requisition of the Postmaster General.

Deficiency in postal revenues.

This title may be cited as the "Post Office Department Appropriation Act, 1939".

Short title.

SEC. 2. Appropriations for the fiscal year 1939 available for expenses of travel of civilian officers and employees of the executive departments and establishments shall be available also for expenses of travel performed by them on transfer from one official station to another when authorized by the head of the department or establishment concerned in the order directing such transfer: *Provided*, That such expenses shall not be allowed for any transfer effected for the convenience of any officer or employee.

Executive departments, etc.  
Travel expenses on change of official station.

*Proviso.*  
Transfer for convenience of officer, etc.

Restrictions on expenditures.

Cost limitation on automobiles.

Maintenance, etc., automobiles not used for official purposes.  
"Official purposes" construed.

Exceptions.

Maintenance, upkeep, etc., limitation.

Payments to persons after nomination rejected by Senate, prohibited.

Citizenship, etc., provisions.  
Post, p. 1163.

Proviso.  
Exceptions.

SEC. 3. No appropriation available for the executive departments and independent establishments of the Government for the fiscal year ending June 30, 1939, whether contained in this Act or any other Act, shall be expended—

(a) To purchase any motor-propelled passenger-carrying vehicle (exclusive of busses, ambulances, and station wagons), at a cost, completely equipped for operation, and including the value of any vehicle exchanged, in excess of \$750, unless otherwise specifically provided for in the appropriation.

(b) For the maintenance, operation, and repair of any Government-owned motor-propelled passenger-carrying vehicle not used exclusively for official purposes; and "official purposes" shall not include the transportation of officers and employees between their domiciles and places of employment, except in cases of medical officers on out-patient medical services and except in cases of officers and employees engaged in field work the character of whose duties makes such transportation necessary and then only as to such latter cases when the same is approved by the head of the department or establishment concerned. The limitations of this subsection (b) shall not apply to any motor vehicles for official use of the President, or of the heads of the executive departments.

(c) For the maintenance, upkeep, and repair (exclusive of garage rent, pay of operators, tires, fuel, and lubricants) on any one motor-propelled passenger-carrying vehicle, except busses and ambulances, in excess of one-third of the market price of a new vehicle of the same make and class and in no case in excess of \$400.

SEC. 4. No part of the money appropriated under this Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate upon vote has failed to confirm the nomination of such person.

SEC. 5. No part of any appropriation contained in this Act or authorized hereby to be expended shall be used to pay the compensation of any officer or employee of the Government of the United States, or of any agency the majority of the stock of which is owned by the Government of the United States, whose post of duty is in continental United States unless such officer or employee is a citizen of the United States or a person in the service of the United States on the date of the approval of this Act who being eligible for citizenship has filed a declaration of intention to become a citizen or who owes allegiance to the United States: *Provided*, That this section shall not apply to enlisted men of the United States Coast Guard who are on active duty in that service on the effective date of this Act, until the expiration of the period required for such enlisted men to complete their naturalization, nor shall it apply to personnel of the Coast Guard on the retired list, and enlisted men on active duty with over twelve years' honorable service who are ineligible for United States citizenship.

Approved, March 28, 1938.

#### [CHAPTER 56]

#### JOINT RESOLUTION

To dedicate the month of April in each year to a voluntary national program for the control of cancer.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the President of the United States is hereby authorized and requested to issue annually a proclamation setting apart the month of April of each year as Cancer Control Month and to invite annually the Governors of the

March 28, 1938  
[H. J. Res. 468]  
[Pub. Res., No. 82]

Cancer Control Month.  
April of each year to be proclaimed as.  
Post, p. 1538.

several States and Territories and possessions of the United States to issue proclamations for like purposes. It is requested that such proclamations invite the medical profession, the press, and all agencies and individuals interested in a national program for the control of the disease of cancer by education and other cooperative means to unite during the month in a public dedication to such a program and in a concerted effort to impress upon the people of the Nation the necessity of such a program.

Approved, March 28, 1938.

## [CHAPTER 57]

## AN ACT

To amend an Act entitled "An Act to eliminate the requirements of cultivation in connection with certain homestead entries", approved August 19, 1935.

March 31, 1938  
[S. 1759]

[Public, No. 454]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Act entitled "An Act to eliminate the requirements of cultivation in connection with certain homestead entries", approved August 19, 1935, is amended by inserting after the word "settlement" the words "or application made".

Homestead entries,  
public lands.  
Elimination of cultivation requirements extended to certain applications.  
49 Stat. 659.  
43 U. S. C., Supp. III, § 237d.

Approved, March 31, 1938.

## [CHAPTER 58]

## AN ACT

To amend the Act entitled "An Act to provide for the construction of certain public buildings, and for other purposes", approved May 25, 1926 (44 Stat. 630), as amended.

March 31, 1938  
[S. 2339]

[Public, No. 455]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That to enable the Secretary of the Treasury to acquire adequate sites for public buildings to be located within the areas hereinafter described, including suitable grounds, parking, and approaches necessary to a proper grouping of such buildings, the areas defined in the Act of May 25, 1926 (44 Stat. 630), as amended, within which sites or additions to sites for public buildings in the District of Columbia may be acquired, are hereby further extended, and the Secretary of the Treasury is authorized, empowered, and directed to acquire, pursuant to the provisions of said Act, as amended, for the use of the United States, by purchase, condemnation, or otherwise, in addition to the areas already authorized, any land and buildings, including properties belonging to the District of Columbia, which he may determine should be acquired, within the area west of Nineteenth Street Northwest, bounded by New York Avenue Northwest, E Street Northwest, and the Potomac River; also squares 122, 104, 81, 58, 59, 44, and 33; and there is hereby authorized to be appropriated from time to time, in addition to the amounts heretofore authorized to carry out the purposes of the Act of May 25, 1926, as amended, such amounts as may be necessary to carry out the provisions of this Act: *Provided*, That no street or alley shall be closed and vacated within the areas herein described unless the closing and vacating of such street or alley is mutually agreed to by the Secretary of the Treasury, the Commissioners of the District of Columbia, and the National Capital Park and Planning Commission.

Public buildings.  
General authorization to acquire sites in the District of Columbia.  
Areas extended.  
44 Stat. 630.  
40 U. S. C. § 341.

Description.

Additional appropriations authorized.

*Protiso.*  
Closing of streets or alleys.

Approved, March 31, 1938.

## [CHAPTER 59]

## AN ACT

April 2, 1938

[S. 1570]

[Public, No. 456]

Compact between  
Minnesota, South Da-  
kota, and North Da-  
kota with respect to  
Red River of the  
North.

Consent of Congress  
granted to.

*Proviso.*  
Federal jurisdiction.

Consenting to an interstate compact between the States of Minnesota, South Dakota, and North Dakota relating to the utilization of, the control of the floods of, and the prevention of the pollution of the waters of the Red River of the North and streams tributary thereto.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the consent of Congress is hereby given to the compact and agreement set forth below: *Provided,* That nothing therein contained shall be construed as impairing or in any manner affecting any right or jurisdiction of the United States in and over the Red River of the North and streams tributary thereto, or in regard to any of the matters covered by the said compact:

Text.

"A COMPACT BETWEEN THE STATE OF SOUTH DAKOTA, THE STATE OF NORTH DAKOTA AND THE STATE OF MINNESOTA.

"This compact made and entered into by and between the State of South Dakota, the State of North Dakota and the State of Minnesota, Witnesseth:

"Whereas, the Red River of the North, which has its source in the State of South Dakota, and which flows northward, forming the boundary line between the State of Minnesota and the State of North Dakota, has a drainage area which includes a portion of all three states; and,

"Whereas, the surface waters in said drainage area, if properly conserved and regulated, will produce benefits common to all three of said states; and,

"Whereas, the interests of the people of said three states will be best served by the organization of an interstate authority vested with sufficient power; and,

"Whereas, all three states have mutual interests in the regulation and administration of said surface waters in said drainage area; and

"Whereas, it is highly desirable that there be a single agency of all three of said states empowered to further the aforesaid regulation and administration of said surface waters in the interests of all of said states,

"Now, Therefore, the State of South Dakota, the State of North Dakota and the State of Minnesota, do hereby solemnly covenant and agree, each with the other, as follows:

## "ARTICLE I.

"The following terms, whenever used in this agreement, shall have the following meanings, unless a different meaning clearly appears in the context:

"(a) The term 'commission' shall mean the Tri-State Waters Commission, the corporation created by this agreement and the acts authorizing the same.

"(b) The term 'acquire' shall mean and include construct, acquire by purchase, lease, devise, gift or the exercise of the rights of eminent domain, or any other mode of acquisition whatsoever.

"(c) The term 'federal agency' shall mean and include the United States of America, the President of the United States of America, the Public Works Administration, the Works Progress Administration, and any and every other authority, agency, or instrumentality of the United States of America heretofore or hereafter created or established.

“(d) The term ‘real property’ shall mean and include lands, structures, franchises, and interests in land, including waters and riparian rights, and any and all things and rights usually included within the said term, and includes not only fees simple absolute but also any and all lesser interests, such as easements, rights of way, uses, leases, licenses, and all other incorporeal hereditaments, and every estate, interest or right, legal or equitable, including terms of years and liens thereon by way of judgments, mortgages or otherwise, and also claims for damages to real estate.

“(e) The term ‘drainage area’ shall mean the area from which surface waters drain from the States of South Dakota, Minnesota and North Dakota into the Red River of the North.

“ARTICLE II.

“Each of the States of North Dakota, South Dakota and Minnesota undertake to cooperate with the other two states for the most advantageous utilization of the waters of the Red River of the North, for the control of the flood waters of this river and for the prevention of the pollution of such waters.

“ARTICLE III.

“To that end the said three states do hereby create a district to be known as the Tri-State Waters Area, which shall comprise that portion of the drainage basin of the Red River of the North lying within the boundaries of the said states.

“ARTICLE IV.

“The said three states do hereby create the Tri-State Waters Commission, which shall be a body corporate and shall have the powers, duties and jurisdiction herein set forth and such other powers, duties and jurisdiction as shall hereafter be conferred upon it by acts of the legislatures of each of said three states concurred in, when of a character to require such concurrence, by act of Congress.

“ARTICLE V.

“The Tri-State Waters Commission, hereafter in this compact called the Commission, shall consist of nine Commissioners, three from each state, appointed by each state in such manner and for such length of term as may be determined by the legislature thereof. Each Commissioner shall be a citizen of the state from which he is appointed, and at least one Commissioner from each state shall be a resident of the drainage area of the Red River of the North. Each Commissioner may be removed or suspended from office in such manner as shall be provided by the law of the state from which he shall be appointed. Each Commissioner shall receive such compensation as may be provided by the legislature of the state he represents, which compensation shall be paid by such state. Each Commissioner shall be paid actual expenses necessarily incurred in the performance of his duties as such Commissioner.

“ARTICLE VI.

“The Commission shall elect from its number a chairman and vice-chairman and shall appoint and at its pleasure remove an executive secretary and such other officers and assistants as may be required to carry the provisions of this compact into effect, and shall fix and determine their duties, qualifications and compensation.

"It shall adopt a seal and suitable by-laws and shall promulgate rules and regulations for its management and control.

"A majority of the members from each state shall constitute a quorum for the transaction of business, the exercise of any powers, or the performance of any duties, but no action of the Commission shall be binding unless at least two of the members from each state shall vote in favor thereof.

"The Commission shall keep accurate accounts of all receipts and disbursements and shall make an annual report to the Governor of each state setting forth in detail the operations and transactions conducted by it pursuant to this compact, and shall make recommendations for any legislative action deemed by it advisable, including amendments to the statutes of the said states which may be necessary to carry out the intent and purpose of this compact, and such changes in the area of the district as may seem desirable.

"The Commission shall not incur any obligations for salaries, office, or other administrative expenses prior to the making of appropriation adequate to meet the same; nor shall the Commission pledge the credit of any of the said states except by and with the authority of the legislatures thereof. Each state reserves the right to provide hereafter by law for the examination and audit of the accounts of the Commission by its comptroller or other official.

"The Commissioner shall meet and organize within thirty days after the effective date of this compact.

"ARTICLE VII.

"It shall be the duty of the Commission to study the various water problems relating to water supply with the Tri-State Waters Area.

"ARTICLE VIII.

"Plans for works on boundary waters in said drainage area prepared by the state, municipal or industrial agencies shall receive the approval of the Commission before construction is begun.

"It shall be the duty of the Commission to maintain and control lake levels and stream flow on boundary waters within the area, but such action shall be taken only with the approval of the authorized county or state agencies, in which such lake or stream is located, but said Commission shall have no power or jurisdiction over water levels or stream flow in the Otter Tail River which is known as that portion of the Red River originating in Becker and Otter Tail counties extending and flowing through in a southerly and southwesterly direction through the counties of Becker, Otter Tail and Wilkin, and emptying into the Red River of the North at the junction of the Boise de Sioux at Breckenridge, Minnesota and its chain of lakes and its tributaries.

"The Commission shall have power to cooperate with any duly authorized federal, state or municipal agency in studies and surveys, construction, maintenance and operation of water projects within the scope of its jurisdiction.

"The Commission shall be authorized to exercise the power of eminent domain, to acquire such real and personal property as may be reasonably necessary to effectuate the purposes of this compact, and to exercise all other powers not inconsistent with the constitutions of the States of North Dakota, South Dakota and Minnesota, or with the Constitution of the United States, which may be reasonably necessary or appropriate for or incidental to the effectuation of its authorized purposes, and generally to exercise in connection with the property and

affairs and in connection with property within its control any and all powers which may be exercised by a private corporation in connection with similar property and affairs.

“ARTICLE IX.

“The Commission shall study the methods of financing the construction, control, maintenance and operation of projects and shall recommend for enactment to the legislatures of the states concerned such legislation as will effectuate the purposes and ends of the Commission.

“ARTICLE X.

“Each state shall bear its proportionate share of the expense of the Commission based on the pro rata value to such state of the activities of the Commission, which expense shall be provided for by appropriation by the legislature.

“ARTICLE XI.

“Should any part of this compact be held to be contrary to the constitution of any of said states or of the United States such part of said compact shall become inoperative as to each state but all other severable provisions of this compact shall continue in full force and effect.

“ARTICLE XII.

“This compact shall become operative immediately after it has been signed by the Governor of the State of South Dakota, the Governor of the State of North Dakota and the Governor of the State of Minnesota.

“In testimony whereof the Governor of the State of South Dakota, the Governor of the State of North Dakota and the Governor of the State of Minnesota have signed this compact in triplicate and the seals of said states have been thereunto affixed.

“Done this 23rd day of June, in the year of our Lord One Thousand Nine Hundred Thirty-seven.

“LESLIE JENSON

*“Governor of the State of South Dakota*

“WILLIAM LANGER

*“Governor of the State of North Dakota*

“ELMER A. BENSON

*“Governor of the State of Minnesota.”*

SEC. 2. That the right to alter, amend, or repeal this Act is hereby expressly reserved.

Amendment, etc.

Approved, April 2, 1938.

[CHAPTER 60]

AN ACT

Limiting the duties of the chief clerk and chief inspector of the Health Department of the District of Columbia.

April 2, 1938  
[H. R. 9100]  
[Public, No. 457]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That hereafter neither the chief clerk nor the chief inspector of the Health Department of the District of Columbia shall act as a deputy to the health officer of said District.

Health Department, D. C.  
Chief clerk and chief inspector; duties limited.

Approved, April 2, 1938.



## [CHAPTER 61]

## JOINT RESOLUTION

April 4, 1938  
[S. J. Res. 277]  
[Pub. Res., No. 83]

Creating a special joint congressional committee to make an investigation of the Tennessee Valley Authority.

Tennessee Valley  
Authority.  
Special joint con-  
gressional committee  
created to make inves-  
tigation.  
Composition.

Vacancies.

Matters under in-  
vestigation.  
48 Stat. 58; 49 Stat.  
1075.  
16 U. S. C., ch. 12a;  
Supp. III, ch. 12a.

Efficient and eco-  
nomical administra-  
tion of Act.

Total appropria-  
tions and allocations.

Interference of func-  
tions by internal dis-  
sension.

Holding of office ille-  
gally.

Aid to private in-  
terests in suits affect-  
ing Authority.

Instigation of  
suits by private inter-  
ests.

Effect of, upon ad-  
ministration.

Disposition, ex-  
pense incurred, etc.

Effect on revenue.

Losses to munic-  
ipalities or farm or-  
ganizations.

Effect of such suit  
upon personnel and  
organization.

Effect of activities  
of private interests on  
purchase of power.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That for the purpose of obtaining information as a basis for legislation there is hereby created a special joint congressional committee to be composed of five Senators to be appointed by the President of the Senate and five members of the House of Representatives to be appointed by the Speaker of the House of Representatives. A vacancy on the joint committee shall be filled in the same manner as original appointments and shall not affect the power of the remaining members to execute the functions incumbent on the joint committee.

SEC. 2. It shall be the duty of the joint committee to make a full and complete investigation of the administration of the Tennessee Valley Authority Act of 1933, as amended, including the following, but not excluding any other matters pertaining to the administration and policies:

(a) The efficient and economical administration of the Act as amended by the Board of Directors of the Tennessee Valley Authority and any of its subordinates.

(a) (2) The total Federal sums appropriated by the Congress or allocated by the President to the Muscle Shoals project and the Tennessee Valley Authority, and also allocations made to power, navigation, flood control or otherwise, and the cost charged to power recoverable to the Treasury of the United States.

(b) Any interference or handicaps placed in the way of the prompt, efficient, and economical administration of its functions by internal dissension among members of the Board of Directors of the Tennessee Valley Authority and what effect such dissension, if any, has had upon the work of the Authority.

(c) Whether any member of said Board has held office or is holding office in violation of the Act creating the Tennessee Valley Authority; and whether any member of said Board has aided or assisted directly or indirectly any private power company or other private interest in the institution or defense of suits and injunctions affecting the administration of the functions of the Tennessee Valley Authority.

(d) Whether, and if so what, suits have been instigated by any private power company or other private interest seeking injunctions against the activities of the Board; and what effect, if any, such injunctions or suits have had upon the administration of the Act according to its terms; what disposition has been made of any such injunction suits and what has been the expense incurred by the Tennessee Valley Authority in defending them; what disposition has been made of such suits in any superior court to which they have been appealed; and what if any has been the loss of revenue to the Authority on account of such suits.

(e) Whether any financial loss has been caused to municipalities or farm organizations by preventing their purchase of electric power from the Tennessee Valley Authority.

(f) What has been the effect, if any, upon the personnel and organization perfected by the Board under said Act by the prosecution of such injunction suits or by the action of any member of the Board in giving aid or assistance to any private power company or other private interest in connection therewith.

(g) What activities there have been, if any, on the part of any private power company or other private interest in attempting by the expenditure of money or otherwise, the institution of legal pro-

ceedings or other means or methods to affect the action or decisions of municipalities or farm organizations in the Tennessee Valley Authority with respect to the purchase of electric power from the Authority.

(h) What efforts, if any, have been made by private power companies or other private interests to affect the decisions or actions of municipalities or farm organizations with respect to the purchase of power from the Authority or acquiring title to their distributing systems.

Efforts of private interests to affect decisions of municipalities, etc.

(i) Whether and to what extent, if any, have the public interests been injured or jeopardized by the activities of any private power companies or other private interests in attempting to prevent the Board from executing the provisions of said Act.

Extent of injury to public interests by private power companies, etc.

(j) Whether or not said Authority has complied with that part of subsection (a) of section 8 of such Act, as amended, which requires that the principal office of the Authority be maintained in the immediate vicinity of Muscle Shoals, Alabama.

Location of principal office, requirement.  
48 Stat. 63.  
16 U. S. C. § 831g.

(k) Whether the charges made by Chairman Arthur E. Morgan that an attempt to defraud the Government of the United States has been made in connection with purchase of certain lands are true; whether the affairs of the Authority had been conducted in a clandestine manner frequently without the knowledge or presence of the Chairman; whether by action of the majority members the Chairman has not had opportunity to present his views before congressional committees.

Whether certain charges are true.

(l) Whether the Tennessee Valley Authority has exhibited partiality to large corporations by supplying power at a cheaper rate than available to municipalities and corporations, by contracting for long periods of time a large majority of available hydroelectric power and by including in such industrial contracts provisions tantamount to a secret rebate in that delivery of "secondary" power is provided during the season of the year when only "firm" power is available from Tennessee Valley Authority dams.

Whether partiality has been shown.

(m) Whether the Authority has complied with that part of section 14 of the Tennessee Valley Authority Act, as amended, which requires (a) that the Tennessee Valley Authority should have submitted to Congress on January 1, 1937, its allocation of costs to the various activities under its control up to that time, and (b) that the Tennessee Valley Authority submit in each annual report thereafter its similar allocation of costs for the period covered in its report.

Whether allocations of costs were reported January 1, 1937, and in annual report thereafter.  
48 Stat. 66.  
16 U. S. C. § 831m; Supp. III, § 831m.

(n) Whether the Authority has interfered with the Comptroller General's audits of the Authority required to be submitted annually to Congress under section 14 of the Act as amended.

Interference with Comptroller General's audits.

(o) Whether it has offered unfair inducements to industrial organizations to leave their established locations to settle within the Tennessee Valley Authority territory.

Offering of unfair inducements.

(p) Whether it has forced rural customers to purchase expensive, unnecessary, and undesired electrical appliances under threat of refusing to supply electricity, and actually to have permitted potential customers to make heavy investments in appliances after which service was refused until further purchases were made of unnecessary and undesired electrical appliances.

Forcing of purchases of appliances.

(q) Whether by accounting methods and cost charges applicable to private industry, the electric rates of the Authority provide a legitimate, honest "yardstick" of equitable rates of private industry.

Whether rates provide honest "yardstick" of equitable rates of private industry.

(r) Whether extravagance, mismanagement, and illegal conduct, if any, by the Board has dissipated funds appropriated to the Tennessee Valley Authority.

Dissipation of funds.

(s) Whether sodium nitrate could not be produced by the air reduction method by all Tennessee Valley Authority power plants,

Sodium nitrate production.

Report and recom-  
mendations.

Sessions.

Powers conferred.

Witnesses; oaths,  
subpoenas.

Printing and bind-  
ing.

Failure to obey sum-  
mons or to testify.

R. S. §§ 102-104.  
2 U. S. C. §§ 192-194;  
Supp. III, § 194.

Division of pay-  
ment of expenses.

Selection of chair-  
man.  
Hearings, etc.  
Utilization of Gov-  
ernment agencies.

and sold to the farmers of the Nation at a cost less than the present domestic market prices of imported sodium nitrate.

SEC. 3. The committee shall report to the Senate and House of Representatives as soon as practicable but not later than January 3, 1939, the results of its investigation, together with its recommendations, if any, for necessary legislation. If Congress shall not be in session at the time such report shall be made, the report shall be filed with the Secretary of the Senate and the Clerk of the House of Representatives. The committee or any duly authorized subcommittee thereof is hereby authorized to sit at such times and in such places in the District of Columbia or elsewhere as it may deem necessary and proper in the performance of its duties and during recesses and adjournments of Congress, or either House. It is specifically authorized to require the attendance of witnesses by subpoena or otherwise; to require the production of books, papers, and documents; and to employ counsel, experts, clerical and other assistants; and to employ stenographers at the cost not to exceed 25 cents per hundred words.

The chairman of said committee or any member of a subcommittee may administer oaths to witnesses and sign subpoenas for witnesses which shall be served by any person designated by such chairman or member of a subcommittee.

The joint committee is authorized to have such printing and binding done as may be necessary and to make such expenditures as it deems advisable within the appropriation hereby authorized. Every person duly summoned by such joint committee or subcommittee thereof who refuses or fails to obey the summons or who fails to answer the questions pertinent to the investigation shall be punished by law. The provisions of sections 102 to 104, inclusive, of the Revised Statutes (relating to examination and testimony of witnesses) shall apply with respect to any person who is summoned as a witness under authority of this joint resolution.

The expenses of such investigation not exceeding in the aggregate of \$50,000 shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers approved by the chairman of the joint committee.

The chairman of the joint committee shall be selected by the joint committee. All hearings, orders, or decisions held before or made by the joint committee shall be public. The joint committee is authorized to utilize the services, information, facilities, and personnel of any department or agency in the executive branch of the Government in the performance of its duties.

Approved, April 4, 1938.

#### [CHAPTER 62]

#### AN ACT

April 4, 1938  
[H. R. 9181]

[Public, No. 458]

Making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1939, and for other purposes.

District of Colum-  
bia.  
Appropriations for  
expenses of, fiscal year  
1939, from District  
revenues and \$5,000,000  
from the Treasury.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in order to defray the expenses of the District of Columbia for the fiscal year ending June 30, 1939, any revenue (not including the proportionate share of the United States in any revenue arising as the result of the expenditure of appropriations made for the fiscal year 1924 and prior fiscal years) now required by law to be credited to the District

of Columbia and the United States in the same proportion that each contributed to the activity or source from whence such revenue was derived shall be credited wholly to the District of Columbia, and, in addition, \$5,000,000 is appropriated, out of any money in the Treasury not otherwise appropriated, to be advanced July 1, 1938, and all of the remainder out of the combined revenues of the District of Columbia, namely:

## GENERAL EXPENSES

### EXECUTIVE OFFICE

For personal services, \$48,180, plus so much as may be necessary to compensate the Engineer Commissioner at such rate in grade 8 of the professional and scientific service of the Classification Act of 1923, as amended, as may be determined by the Board of Commissioners: *Provided*, That in expending appropriations or portions of appropriations contained in this Act for the payment of personal services in accordance with the Classification Act of 1923, as amended, with the exception of the two civilian Commissioners the average of the salaries of the total number of persons under any grade in any bureau, office, or other appropriation unit shall not at any time exceed the average of the compensation rates specified for the grade by such Act, as amended, and in grades in which only one position is allocated the salary of such position shall not exceed the average of the compensation rates for the grade, except that in unusually meritorious cases of one position in a grade advances may be made to rates higher than the average of the compensation rates of the grade, but not more often than once in any fiscal year and then only to the next higher rate: *Provided further*, That this restriction shall not apply (1) to grades 1, 2, 3, and 4 of the clerical-mechanical service; (2) to require the reduction in salary of any person whose compensation was fixed, as of July 1, 1924, in accordance with the rules of section 6 of such Act; (3) to require the reduction in salary of any person who is transferred from one position to another position in the same or different grade in the same or a different bureau, office, or other appropriation unit; (4) to prevent the payment of a salary under any grade at a rate higher than the maximum rate of the grade when such higher rate is permitted by the Classification Act of 1923, as amended, and is specifically authorized by other law; or (5) to reduce the compensation of any person in a grade in which only one position is allocated.

Purchasing division: For personal services, \$56,000.

Department of inspections: For personal services, \$240,000, including two members of plumbing board at \$150 each, and two members, board of examiners, steam engineers, at \$150 each, the inspector of boilers to serve without additional compensation.

Office of Poundmaster: For personal services, maintenance and operation of motor vehicles, and other necessary expenses, \$10,490: *Provided*, That the salary of the poundmaster shall be at the rate of \$2,000 per annum.

### PUBLIC CONVENIENCE STATIONS

For maintenance of public convenience stations, including compensation of necessary employees, \$14,000, of which not less than \$500 shall be available for necessary repairs.

General expenses.

Executive office.

Office personnel.  
Additional, for Engineer Commissioner.

*Proviso.*  
Salaries limited to average rates under Classification Act; exceptions.  
42 Stat. 1488.  
5 U. S. C. §§ 661-674; Supp. III, §§ 673, 673c.

If only one position in a grade.

Advances in meritorious cases.

Restriction not applicable to clerical-mechanical service.  
No reduction in fixed salaries.  
42 Stat. 1490.  
5 U. S. C. § 666.  
Transfers without pay reduction.

Higher rates permitted.

If only one position in a grade.

Purchasing division.  
Department of inspections.

Office of Poundmaster.

*Proviso.*  
Salary rate.

Public convenience stations.

Maintenance.

Care of District  
buildings.

Operating force.

*Proviso.*  
Additional assistant  
engineers or watch-  
men.

Operating supplies.

Assessor's office.

Personal services.

Reference maps.

Collector's office.

Personal services.  
Additional office  
equipment.

Auditor's office.

Personal services.

Real-estate expert.  
Disbursing officer  
permitted other com-  
pensation.

Office of Corpora-  
tion Counsel.

Corporation coun-  
sel; extra pay.  
Personal services.

Alcoholic Beverage  
Control Board.

Personal services  
and expenses.

Coroner's office.

Personal services.  
5 U. S. C. §§ 661-674;  
Supp. III, §§ 673, 673c.  
Morgue, etc., ex-  
penses.

Office of Superin-  
tendent of Weights,  
Measures, and Mar-  
kets.

Personal services.  
Contingent ex-  
penses.

CARE OF THE DISTRICT BUILDINGS

For personal services, including temporary labor, and service of cleaners as necessary at not to exceed 48 cents per hour, \$126,600: *Provided*, That no other appropriation made in this Act shall be available for the employment of additional assistant engineers or watchmen for the care of the District buildings.

For fuel, light and power, repairs, laundry, and miscellaneous supplies, \$50,450.

ASSESSOR'S OFFICE

For personal services, \$253,000.

For rebinding and repairing reference maps in the Assessor's Office, \$2,500.

COLLECTOR'S OFFICE

For personal services, \$50,000.

For additional office equipment for the Collector's Office, \$3,300.

AUDITOR'S OFFICE

For personal services, \$131,700, of which \$2,000 shall be available without reference to the Classification Act of 1923, as amended, and civil-service requirements for the employment of a real-estate expert, to be immediately available; and the compensation of the present incumbent of the position of disbursing officer of the District of Columbia shall be exclusive of his compensation as United States property and disbursing officer for the National Guard of the District of Columbia.

OFFICE OF CORPORATION COUNSEL

Corporation counsel, including extra compensation as general counsel of the Public Utilities Commission, and other personal services, \$117,280.

ALCOHOLIC BEVERAGE CONTROL BOARD

For personal services, streetcar and bus transportation, telephone service, not exceeding \$1,000 for the purchase of samples, not exceeding \$100 for witness fees, and not less than \$8,000 for beverage tax stamps, and other necessary contingent and miscellaneous expenses, \$43,980.

CORONER'S OFFICE

For personal services, including deputy coroners, in accordance with the Classification Act of 1923, as amended, \$11,680.

For the maintenance of a non-passenger-carrying motor wagon for the morgue, jurors' fees, witness' fees, ice, disinfectants, telephone service, and other necessary supplies, repairs to the morgue, and the necessary expenses of holding inquests, including stenographic services in taking testimony and photographing unidentified bodies, \$4,700.

OFFICE OF SUPERINTENDENT OF WEIGHTS, MEASURES, AND MARKETS

For personal services, \$58,000.

For contingent expenses, and maintenance and repairs to markets, including not to exceed \$1,000 for purchase of commodities and for

personal services in connection with investigation and detection of sales of short weight and measure, maintenance and repair of motor vehicles, and not exceeding \$750 for the purchase, including exchange, of one motor vehicle equipped for making investigations of sales of gasoline and oil by short measure, \$28,675, of which amount \$7,500 shall be available for testing and inspection of gasoline and other petroleum products.

Vehicles.

Gasoline, etc., testing and inspection.

## OFFICE OF CHIEF CLERK, ENGINEER DEPARTMENT

For personal services, \$32,040, including \$2,600 for the employment of one safety inspector.

Engineer Department.

Chief Clerk's office. Safety inspector.

## MUNICIPAL ARCHITECT'S OFFICE

For personal services, \$57,980.

All apportionments of appropriations for the use of the municipal architect in payment of personal services employed on construction work provided for by said appropriations shall be based on an amount not exceeding 3 per centum of a total of not more than \$2,000,000 of appropriations made for such construction projects and not exceeding 2¾ per centum of a total of the appropriations in excess of \$2,000,000.

Municipal Architect's office.

Personal services.

Apportionments of appropriations.

## PUBLIC UTILITIES COMMISSION

For two commissioners, people's counsel, and for other personal services, \$76,000.

For incidental and all other general necessary expenses authorized by law, including the purchase of newspapers, \$1,200.

No part of the appropriations contained in this Act shall be used for or in connection with the preparation, issuance, publication, or enforcement of any regulation or order of the Public Utilities Commission requiring the installation of meters in taxicabs, or for or in connection with the licensing of any vehicle to be operated as a taxicab except for operation in accordance with such system of uniform zones and rates and regulations applicable thereto as shall have been prescribed by the Public Utilities Commission.

Public Utilities Commission.

Commissioners, people's counsel, etc.

Incidental, etc., expenses.

Issuance of orders requiring meters in taxicabs forbidden.

## DEPARTMENT OF INSURANCE

For personal services, \$28,660.

Department of Insurance.

## SURVEYOR'S OFFICE

For personal services, \$80,000.

Surveyor's office.

## MINIMUM WAGE BOARD

For personal services, including not to exceed \$2,500 for the secretary of the Board, \$8,420.

Minimum Wage Board.

Personal services.

## DISTRICT OF COLUMBIA EMPLOYEES' COMPENSATION FUND

For carrying out the provisions of section 11 of the District of Columbia Appropriation Act approved July 11, 1919, extending to the employees of the government of the District of Columbia the provisions of the Act entitled "An Act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, \$52,000.

Employees' compensation fund.

Payments for injuries. 41 Stat. 104.

39 Stat. 742. 5 U. S. C. §§ 751-796.

Administrative expenses, compensation to injured employees.

45 Stat. 600.

Transfer to Commission.

Retirement Act; contribution from District revenues.

5 U. S. C. § 707a.

Administrative expenses, compensation to injured employees in the District of Columbia: For the enforcement of the Act entitled "An Act to provide compensation for disability or death resulting from injury to employees in certain employments in the District of Columbia, and for other purposes", approved May 17, 1928 (45 Stat. 600), \$53,300, for transfer to and expenditure by the Employees' Compensation Commission under its appropriations "Salaries and expenses", \$53,000, and "Printing and binding", \$300.

For financing of the liability of the government of the District of Columbia, created by the Act entitled "An Act for the retirement of employees in the classified civil service, and for other purposes", approved May 22, 1920, and Acts amendatory thereof (5 U. S. C. 707a), \$842,760, which amount shall be placed to the credit of the "civil service retirement and disability fund".

Register of Wills.

#### REGISTER OF WILLS

Personal services.

For personal services, \$76,560.

Contingent expenses.

For miscellaneous and contingent expenses, telephone bills, printing, contract statistical services, typewriters, photostat paper and supplies, including laboratory coats and photographic developing-room equipment, towels, towel service, window washing, streetcar tokens, furniture and equipment and repairs thereto, and purchase of books of reference, law books, and periodicals, \$13,120.

Recorder of Deeds.

#### RECORDER OF DEEDS

Personal services.

For personal services, \$111,440.

Contingent expenses.

For miscellaneous and contingent expenses, including telephone service, printing, binding, rebinding, repairing, and preservation of records; typewriters, towels, towel service, furniture and equipment and repairs thereto; books of reference, law books and periodicals, streetcar tokens, postage; not exceeding \$100 for rest room for sick and injured employees and the equipment of and medical supplies for said rest room, and all other necessary incidental expenses, \$12,500.

Rent.  
*Post*, p. 192.

For rent of offices of the recorder of deeds, \$15,000, to be expended without reference to the provisions of section 6 of this Act.

Contingent and miscellaneous expenses.

#### CONTINGENT AND MISCELLANEOUS EXPENSES

Objects specified.  
*Post*, p. 1120.

For checks, books, law books, books of reference, including \$3,000 for law books and books of reference for the Corporation Counsel's office, periodicals, newspapers, stationery; surveying instruments and implements; drawing materials; binding, rebinding, repairing, and preservation of records; ice; traveling expenses not to exceed \$2,000, including payment of dues and traveling expenses in attending conventions when authorized by the Commissioners of the District of Columbia; expenses authorized by law in connection with the removal of dangerous or unsafe and insanitary buildings, including payment of a fee of \$6 per diem to each member of board of survey, other than the inspector of buildings, while actually employed on surveys of dangerous or unsafe buildings; not exceeding \$3,000 for the settlement of claims not in excess of \$250 each, approved by the Commissioners under and in accordance with the provisions of the Act entitled "An Act authorizing the Commissioners of the District of Columbia to settle claims and suits against the District of Columbia", approved February 11, 1929 (45 Stat. 1160), as amended

Traveling expenses.

Removing unsafe, etc., buildings.

Settlement of claims.

45 Stat. 1160; 46 Stat. 500.

by the Act approved June 5, 1930 (46 Stat. 500); not to exceed \$250 to aid in support of the national conference of commissioners on uniform State laws; and other general necessary expenses of District offices, \$33,000: *Provided*, That no part of this or any other appropriation contained in this Act shall be expended for printing or binding a schedule or list of supplies and materials for the furnishing of which contracts have been or may be awarded.

For postage for strictly official mail matter, including the rental of postage-meter equipment, \$28,000.

For judicial expenses, including witness fees, and expert services in District of Columbia cases before the District Court of the United States for the District of Columbia, \$1,500: *Provided*, That the Commissioners of the District of Columbia are authorized, when in their judgment such action be deemed in the public interest, to contract for stenographic reporting services without regard to section 3709 of the Revised Statutes (41 U. S. C. 5) under available appropriations contained in this Act: *Provided further*, That neither the District of Columbia nor any officer thereof acting in his official capacity for the District of Columbia shall be required to pay court costs to the clerk of the District Court of the United States for the District of Columbia.

For general advertising, authorized and required by law, and for tax and school notices and notices of changes in regulations, \$9,000: *Provided*, That this appropriation shall not be available for the payment of advertising in newspapers published outside of the District of Columbia, notwithstanding the requirement for such advertising provided by existing law.

For advertising notice of taxes in arrears July 1, 1938, as required to be given by the Act of February 28, 1898, as amended, to be reimbursed by a charge of 50 cents for each lot or piece of property advertised, \$5,000: *Provided*, That this appropriation shall not be available for the payment of advertising the delinquent tax list for more than once a week for two weeks in the regular issue of one morning or one evening newspaper published in the District of Columbia, notwithstanding the provisions of existing law.

For printing and binding, \$55,600: *Provided*, That no part of the appropriations contained in this Act shall be available for expenditure for printing and binding unless the need for such expenditure shall have been specifically approved by the Commissioners of the District of Columbia, or by the purchasing officer and the auditor for the District of Columbia acting for such Commissioners.

For the use of the Senate and House committees on the District of Columbia, acting jointly or separately as the chairmen of the two committees may decide, to employ such clerical help as will be necessary to make a complete study of the various surveys previously made of the government of the District of Columbia for the express purpose of forming such legislation as will effect a more efficient and economic handling of the government affairs of the District of Columbia, \$5,000, to be immediately available.

For an investigation of public relief in the District of Columbia to be made under the supervision of the chairmen of the respective Subcommittees on District of Columbia Appropriations of the Committees on Appropriations of the Senate and House of Representatives, who are authorized to select a person to act as director of investigation at a salary to be fixed by the said chairmen; such investigation shall cover the extent of unemployment in said District; the need for all types of relief; the extent to which existing agencies are meeting both the unemployment and relief situations; the ade-

Conference of commissioners on uniform State laws.

*Proviso.*  
Printing, etc., list of supplies, forbidden.

Postage.

Judicial expenses.

*Provisos.*  
Stenographic reporting services.

R. S. § 3709.  
41 U. S. C. § 5.

No court costs, etc., in District Court for D. C. required.

General advertising.

*Proviso.*  
Outside advertising.

Taxes in arrears.  
30 Stat. 250.

*Proviso.*  
Advertising of delinquent tax list in newspapers.

Printing and binding.  
*Post*, p. 1120.  
*Proviso.*  
Approval of requisitions required.

Study of surveys respecting new legislation for efficiency; personal services.  
*Post*, p. 1121.

Investigation of public relief.  
*Post*, p. 1121.

Scope.



quacy or inadequacy of individual grants; the characteristics of cases receiving assistance from public agencies; the policies and procedures of public administrative organizations, including the adequacy, qualifications, and competency of personnel. The said director of investigation is authorized and empowered to employ necessary assistants at rates of pay to be approved by the chairmen of the subcommittees aforesaid, and the said director may request and be entitled to obtain such assistance as he may deem necessary from Federal and District agencies, including the Social Security Board and the Works Progress Administration, and the said director and his assistants shall have access to any and all records of such agencies, including financial statements, social case histories and correspondence, and he shall be free to seek information from staff members and employees of such agencies; and the said director shall make a full report to the aforesaid chairmen prior to August 1, 1938, of the results of the investigation, including such recommendations as he may deem necessary relating to administrative efficiency, the adequacy or inadequacy of public relief in the District of Columbia, existing and proposed work projects providing for unemployed employables, and any other kindred matters, \$10,000, said sum to be available immediately and to be expended without reference to the Classification Act of 1923, as amended, civil-service requirements, or any other law.

## Central Garage.

## CENTRAL GARAGE

Automobiles, maintenance, etc.

For maintenance, care, repair, and operation of passenger-carrying automobiles owned by the District of Columbia, including personal services, \$61,780; for purchase (including exchange) of passenger-carrying automobiles, including \$1,700 for the replacement of one ambulance and \$1,500 for the replacement of one bus for the Health Department, \$15,200; in all, \$76,980.

Ambulance, etc.

Private vehicle allowances.

For allowances for furnishing privately owned motor vehicles in the performance of official duties at a rate of not to exceed \$264 per year for each automobile, \$10,296: *Provided*, That allowances under this appropriation shall be made only to persons whose duties require full-time field service.

*Proviso.*  
Restriction.

Use of District-owned vehicles restricted.

All motor-propelled passenger-carrying vehicles owned by the District of Columbia shall be used exclusively for "official purposes" directly pertaining to the public services of said District, and shall be under the direction and control of the Commissioners, who may from time to time alter or change the assignment for use thereof or direct the joint or interchangeable use of any of the same by officials and employees of the District, except as otherwise provided in this Act; and "official purposes" shall not include the transportation of officers and employees between their domiciles and places of employment, except as to the Commissioners of the District of Columbia and in cases of officers and employees the character of whose duties makes such transportation necessary, and then only as to such latter cases when the same is approved by the Commissioners: *Provided*, That no passenger-carrying automobile, except busses, station wagons, patrol wagons, and ambulances, and except as otherwise specifically authorized in this Act, shall be acquired under any provision of this Act, by purchase or exchange, at a cost, including the value of a vehicle exchanged, exceeding \$650. No motor vehicles shall be transferred from the police or fire departments to any other branch of the government of the District of Columbia.

Transportation between domicile and place of employment.

*Proviso.*  
Cost limitation.

Transfers forbidden.

Fire insurance premiums forbidden.

Appropriations in this Act shall not be used for the payment of premiums or other cost of fire insurance.

The Commissioners are authorized, in their discretion, to furnish necessary transportation in connection with strictly official business of the District of Columbia by the purchase of streetcar and bus fares from appropriations contained in this Act: *Provided*, That the expenditures herein authorized shall be so apportioned as not to exceed a total of \$9,900: *Provided further*, That the provisions of this paragraph shall not include the appropriations herein made for the fire and police departments.

Streetcar and bus fares.

*Proviso.*  
Limitation on expenditures.  
*Post*, p. 1121.  
Fire and police departments excepted.

#### EMPLOYMENT SERVICE

For personal services and miscellaneous and contingent expenses required for maintaining a public employment service for the District of Columbia, \$4,640.

Employment service.

#### EMERGENCY FUND

To be expended in case of emergency, such as riot, pestilence, public insanitary conditions, calamity by flood, or fire, or storm, and of like character, and for other purposes, in the discretion of the Commissioners, \$2,500: *Provided*, That the certificate of the Commissioners shall be sufficient voucher for the expenditure of this appropriation for such purposes as they may deem necessary.

Emergency fund.

Expenditure.

*Proviso.*  
Voucher for expenditure.

#### REFUND OF ERRONEOUS COLLECTIONS

To enable the Commissioners, in any case where special assessments, school-tuition charges, payments for lost library books, rents, fees, or collections of any character have been erroneously covered into the Treasury, to refund such erroneous payments, wholly or in part, including the refunding of fees paid for building permits authorized by the District of Columbia Appropriation Act approved March 2, 1911 (36 Stat. 967), \$3,000: *Provided*, That this appropriation shall be available for such refunds of payments made within the past three years.

Refund of erroneous collections.

Payments authorized.

Building permits.  
33 Stat. 967.

*Proviso.*  
Availability.

For payment of amounts collected by the District erroneously on account of taxes, fines, fees, and similar charges, which are returned to the respective parties who may have paid the same, \$65,000: *Provided*, That this appropriation shall be available for refund of such erroneous payments made within the past three years only.

Erroneously-collected taxes, fines, etc.

*Proviso.*  
Availability.

#### WHARVES

For reconstruction, where necessary, and for maintenance and repair of wharves under the control of the Commissioners of the District of Columbia, in the Washington Channel of the Potomac River, \$3,000.

Wharves.

Reconstruction, maintenance, etc.

#### OLD POLICE COURT BUILDING

For repairs, alterations, and improvements to the old Police Court Building, to be used for such District activity or activities as may be determined by the Commissioners, \$10,000, to be immediately available.

Old Police Court Building.

Repairs, etc.; use.

#### MUNICIPAL CENTER

For beginning the construction in square 533, bounded by John Marshall Place, Indiana Avenue, and Third, C, and D Streets, of the first unit of an extensible building for the government of the District of Columbia, \$500,000, of which amount the sum of \$60,000 shall be immediately available for the preparation of plans and specifications, including the employment of professional and other

Municipal Center.

Beginning construction.

Preparation of plans, etc.

5 U. S. C. §§ 661-674;  
Supp. III, §§ 673, 673c.  
R. S. § 3709.  
41 U. S. C. § 5.

services without reference to the Classification Act of 1923, as amended, civil service requirements, or section 3709 of the Revised Statutes, and the Commissioners are authorized to enter into contract or contracts for the completion of such unit, including fixed equipment, at a total cost not to exceed \$1,500,000.

Loan from Public  
Works Administra-  
tion.

## REPAYMENT OF LOAN FROM PUBLIC WORKS ADMINISTRATION

Reimbursement.  
48 Stat. 1215.  
*Proviso.*  
Amount of deposit,  
1939.

For reimbursement to the United States, in compliance with section 3 of the Act approved June 25, 1934 (48 Stat. 1215), of funds loaned under the authority of said Act, \$1,000,000: *Provided*, That during the fiscal year 1939 no greater sum shall be deposited in the Treasury of the United States to the credit of the special account established under section 3 of said Act than is required by said section for reimbursement to the United States.

Free Public Li-  
brary.

## FREE PUBLIC LIBRARY

Personal services.

For personal services, and for substitutes and other special and temporary services, including extra services on Sundays, holidays, and Saturday half holidays, at the discretion of the librarian, \$394,300.

Miscellaneous.

*Proviso.*  
Advances for pur-  
chases of books, etc.

Miscellaneous: For books, periodicals, newspapers, and other printed material, including payment in advance for subscription books, and society publications, \$65,000: *Provided*, That the disbursing officer of the District of Columbia is authorized to advance to the librarian of the free Public Library, upon requisition previously approved by the auditor of the District of Columbia, sums of money not exceeding \$25 at the first of each month, to be expended for the purchase of certain books, pamphlets, numbers of periodicals or newspapers, or other printed material, and to be accounted for on itemized vouchers.

Accounting.

Binding.  
*Proviso.*  
Division of expendi-  
ture.

For binding, including necessary personal services, \$20,000: *Provided*, That approximately 50 per centum of this appropriation shall be expended in connection with the library's present bindery and the balance for materials and work to be performed at the reformatory at Lorton, Virginia.

Contingent ex-  
penses.

For maintenance, alterations, repairs, fuel, lighting, fitting up buildings, care of grounds, maintenance of motor delivery vehicles, and other contingent expenses, including not to exceed \$400 for painting the Conduit Road Library Branch, \$49,650.

Chevy Chase and  
Woodridge branches,  
rent.  
New library build-  
ing, plans.

For rent of suitable quarters for branch libraries in Chevy Chase and Woodridge, \$4,320.

For the preparation of plans and specifications for a library building to be constructed on square 491 in the District of Columbia, \$60,000.

Sewers.

## SEWERS

Personal services.  
Cleaning, repair,  
etc.  
Motortrucks.

For personal services, \$175,000.

For cleaning and repairing sewers and basins; including the replacement of the following motortrucks: Four at not to exceed \$975 each; and the purchase of one motortruck at not to exceed \$650; and for operation and maintenance of the sewage pumping service, including repairs to equipment, machinery, and pumping stations, and employment of mechanics and laborers, purchase of electricity, fuel, oil, waste, and other supplies, and the maintenance of non-passenger-carrying motor vehicles used in this work, \$230,000.

For construction of sewers and receiving basins, including the maintenance of non-passenger-carrying motor vehicles used in this work, and the replacement of two motortrucks at not to exceed \$975 each and one tractor at not to exceed \$2,500; in all, \$258,500, of which amount not exceeding \$3,500 shall be available for payment to the Maryland Suburban Sanitary District for the construction of an outlet sewer through Mount Rainier, Maryland, to permit the abandonment of the Woodridge pumping station.

For assessment and permit work, sewers, including not to exceed \$1,000 for purchase or condemnation of rights-of-way for construction, maintenance, and repair of public sewers, \$225,000.

For the control and prevention of the spread of mosquitoes in the District of Columbia, including personal services, operation, maintenance, and repair of motor-propelled vehicles, the replacement of one motortruck at not to exceed \$650, purchase of oil, and other necessary expenses, \$12,000: *Provided*, That of the amount herein appropriated there may be transferred, in the interest of coordinating the work of mosquito control in the District of Columbia, not to exceed \$4,100 to the Public Health Service of the Treasury Department, the amount so transferred to be available for the objects herein specified.

Sewage treatment plant: For operation and maintenance, including salaries and wages of necessary employees, supplies, repairs to buildings and equipment, purchase of electric power, fuel, oil, waste, and other necessary expenses including the maintenance of non-passenger-carrying motor vehicles used in this work, \$216,000.

#### COLLECTION AND DISPOSAL OF REFUSE

For personal services, \$133,000.

For dust prevention, sweeping and cleaning streets, avenues, alleys, and suburban streets, under the immediate direction of the Commissioners, including services and purchase and maintenance of equipment, rent of storage rooms; maintenance and repair of garages; maintenance and repair of non-passenger-carrying motor-propelled vehicles necessary in cleaning streets and purchase of motor-propelled street-cleaning equipment and necessary incidental expenses, \$403,730.

To enable the Commissioners to carry out the provisions of existing law governing the collection and disposal of garbage, dead animals, night soil, and miscellaneous refuse and ashes in the District of Columbia, including inspection; fencing of public and private property designated by the Commissioners as public dumps; and incidental expenses, \$862,500: *Provided*, That this appropriation shall not be available for collecting ashes or miscellaneous refuse from hotels and places of business or from apartment houses of four or more apartments in which the landlord furnishes heat to tenants.

#### PUBLIC PLAYGROUNDS

For personal services, \$131,000: *Provided*, That employments hereunder, except directors who shall be employed for twelve months, shall be distributed as to duration in accordance with corresponding employments provided for in the District of Columbia Appropriation Act for the fiscal year 1924.

For general maintenance, including labor, repairs and improvements, equipment, supplies, incidental and contingent expenses of playgrounds, \$40,800.

For temporary services, including superintendence, supplies, repairs, maintenance, and expenses necessary in the operation of swimming or bathing pools, \$11,300.

Sewers and receiving basins.  
Vehicles.

Mount Rainier, Md., outlet sewer.

Assessment and permit work.

Mosquito control.

*Proviso.*  
Transfer to Public Health Service.

Sewage treatment plant.

Collection, etc., of refuse.

Personal services.

Sweeping, cleaning, etc.

Garbage, dead animals, ashes, etc.

*Proviso.*  
Collection restriction.

Public playgrounds.

Personal services.  
*Proviso.*  
Employments restricted.

42 Stat. 1340.

Maintenance, etc.

Swimming or bathing pools.

## Improvements.

For improvement of various municipal playgrounds and recreation centers, \$25,000, of which not exceeding \$1,000 shall be immediately available for the preparation of architectural and landscaping plans.

## Electrical Department.

## ELECTRICAL DEPARTMENT

## Personal services.

For personal services, \$92,800.

## Supplies, contingent expenses, etc.

For general supplies, repairs, new batteries and battery supplies, telephone rental and purchase, telephone service charges, wire and cable for extension of telegraph and telephone service, repairs of lines and instruments, purchase of poles, tools, insulators, brackets, pins, hardware, cross arms, ice, record book, stationery, extra labor, new boxes, maintenance of motortrucks, and other necessary items including not to exceed \$600 for the purchase (including exchange) of one non-passenger-carrying motor vehicle, \$30,800.

## Placing wires underground, police patrol and fire alarm systems.

For placing wires of fire alarm, police patrol, and telephone services underground, extension and relocation of police-patrol and fire-alarm systems, purchase and installing additional cables, labor, material, appurtenances, and other necessary equipment and expenses, \$25,000.

## Street lighting.

Street lighting: For purchase, installation, and maintenance of public lamps, lampposts, street designations, lanterns, and fixtures of all kinds on streets, avenues, roads, alleys, and public spaces, part cost of maintenance of airport and airway lights necessary for operation of the air mail, and for all necessary expenses in connection therewith, including rental of storerooms, extra labor, operation, maintenance, and repair of motortrucks, this sum to be expended in accordance with the provisions of sections 7 and 8 of the District of Columbia Appropriation Act for the fiscal year 1912 (36 Stat. 1008-1011, sec. 7), and with the provisions of the District of Columbia Appropriation Act for the fiscal year 1913 (37 Stat. 181-184, sec. 7), and other laws applicable thereto, \$765,000: *Provided*, That this appropriation shall not be available for the payment of rates for electric street lighting in excess of those authorized to be paid in the fiscal year 1927, and payment for electric current for new forms of street lighting shall not exceed 2 cents per kilowatt-hour for current consumed: *Provided further*, That no part of this appropriation shall be available for the payment on any contract required by law to be awarded through competitive bidding, which is not awarded to the lowest responsible bidder on specifications, and such specifications shall be so drawn as to admit of fair competition.

## Airway lights.

36 Stat. 1008.

37 Stat. 181.

*Provisos.*  
Rates, limitation.

## Awards to lowest bidder.

## Public schools.

## PUBLIC SCHOOLS

## Administrative and supervisory officers.

For personal services of administrative and supervisory officers in accordance with the Act fixing and regulating the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia, approved June 4, 1924 (43 Stat. 367-375), including salaries of presidents of teachers colleges in the salary schedule for first assistant superintendents, \$673,700.

43 Stat. 367.

## Personal services.

For personal services of clerks and other employees, \$179,540.

## School attendance and work permits department.

For personal services in the department of school attendance and work permits in accordance with the Act approved June 4, 1924 (43 Stat. 367-375), the Act approved February 5, 1925 (43 Stat. 806-808), and the Act approved May 29, 1928 (45 Stat. 998), \$40,100.

43 Stat. 367, 806.

45 Stat. 998.

## Teachers, librarians, etc.

43 Stat. 367.

For personal services of teachers and librarians in accordance with the Act approved June 4, 1924 (43 Stat. 367-375), including for teachers colleges assistant professors in salary class eleven, and pro-

fessors in salary class twelve, and including \$11,600 for health and physical education teachers to supervise play in schools of the central area bounded by North Capitol Street on the east, Florida Avenue on the north, the Mall on the south, and Twelfth Street on the west, \$7,119,300: *Provided*, That teaching vacancies that occur during the fiscal year 1939 wherever found may be filled by the assignment of teachers of special subjects and teachers not now assigned to classroom instruction, and such teachers are hereby made eligible for such assignment without further examination: *Provided further*, That the average of the salaries paid librarians in the public schools shall not exceed the average of the salaries paid employees performing the same grade of work in the Free Public Library.

For the instruction and supervision of children in the vacation schools, and supervisors and teachers of vacation schools may also be supervisors and teachers of day schools, \$30,400.

Qualified Federal personnel is authorized, with the approval of the head of the Federal agency concerned, and upon request by the Board of Education, to give lectures in the public schools on the effects of alcoholic liquors and narcotics.

Health and physical education teachers.

*Provisos.*  
Placing unassigned teachers of special, etc., subjects.

Librarians, pay restriction.

Vacation schools, instruction, etc.

Lectures on effects of alcoholic liquors and narcotics.

#### NIGHT SCHOOLS

For teachers and janitors of night schools, including teachers of industrial, commercial, and trade instruction, and teachers and janitors of night schools may also be teachers and janitors of day schools, \$102,180.

For contingent and other necessary expenses, including equipment and purchase of all necessary articles and supplies for classes in industrial, commercial, and trade instruction, \$4,000.

Night schools.

Salaries.

Contingent expenses.

#### AMERICANIZATION WORK

For Americanization work and instruction of foreigners of all ages in both day and night classes, and teachers and janitors of Americanization schools may also be teachers and janitors of the day schools, \$8,800.

For contingent and other necessary expenses, including books, equipment, and supplies, \$600.

For carrying out the provisions of the Act of June 19, 1934 (34 U. S. C. 945), entitled "An Act providing educational opportunities for the children of soldiers, sailors, and marines who were killed in action or died during the World War", \$2,700.

For the development of vocational education in the District of Columbia in accordance with the Act entitled "An Act to provide for the further development of vocational education in the several States and Territories", approved June 8, 1936 (49 Stat. 1488), \$17,699.

Americanization work.

Instruction of foreigners of all ages.

Contingent expenses.

Instruction of children of veterans killed, etc., during World War.  
48 Stat. 1125.  
34 U. S. C. § 945.

Vocational education.  
49 Stat. 1488.  
20 U. S. C., Supp. III, §§ 15h-15p.

#### COMMUNITY CENTER DEPARTMENT

For personal services of the director, general secretaries, and community secretaries in accordance with the Act approved June 4, 1924 (43 Stat. 369, 370); clerks and part-time employees, including janitors on account of meetings of parent-teacher associations and other activities, and contingent expenses, equipment, supplies, and lighting fixtures, \$102,000.

For the maintenance and contingent expenses of keeping open during the summer months the public-school playgrounds; for special and temporary services, directors, assistants, and janitor service during the summer vacation, and, in the larger yards, daily after school hours during the school term, \$25,000.

Community Center Department.

Salaries and expenses.  
43 Stat. 369.

Public school playgrounds during summer.

## Equipment.

*Proviso.*  
When open.

For the purchase, installation, and maintenance of equipment for school yards for the purposes of play of pupils, \$7,000: *Provided*, That such playgrounds shall be kept open for play purposes in accordance with the schedule maintained for playgrounds under the jurisdiction of the playground department.

## Care of buildings and grounds.

Personal services, etc.

## CARE OF BUILDINGS AND GROUNDS

For personal services, including care of smaller buildings and rented rooms at a rate not to exceed \$96 per annum for the care of each schoolroom, other than those occupied by atypical or ungraded classes, for which service an amount not to exceed \$120 per annum may be allowed, \$948,785.

## Miscellaneous.

## MISCELLANEOUS

Schools for tubercular and crippled children.

Transportation.

For the maintenance of schools for tubercular and crippled pupils, \$7,500.

*Proviso.*  
Streetcar, etc., fares.

For transportation for pupils attending schools for tubercular pupils, sight-conservation pupils, and crippled pupils, \$20,000: *Provided*, That expenditures for streetcar and bus fares from this fund shall not be subject to the general limitations on the use of streetcar and bus fares covered by this Act.

Manual, etc., training.

For purchase and repair of furniture, tools, machinery, material, and books, and apparatus to be used in connection with instruction in manual and vocational training, and incidental expenses connected therewith, \$64,000, to be immediately available.

Fuel, light, and power.  
*Proviso.*  
Apportionment provisions.

For fuel, gas, and electric light and power, \$300,000: *Provided*, That this appropriation shall be so apportioned and distributed over the fiscal year ending June 30, 1939, and shall be so administered, during such fiscal year, as to constitute the total amount that will be utilized during such fiscal year for such purposes.

Contingent expenses.

For contingent expenses, including United States flags, furniture and repairs of same, stationery, ice, paper towels, and other necessary items not otherwise provided for, and including not exceeding \$10,500 for books of reference and periodicals, of which \$2,500 shall be available for the purchase of such books for the Wilson Teachers College, not exceeding \$1,500 for replacement of pianos at an average cost of not to exceed \$300 each, not exceeding \$6,800 for labor; in all, \$132,600, to be immediately available, of which not to exceed \$3,000 may be expended for tabulating school census cards either by contract or by day labor as the Commissioners may determine: *Provided*, That a bond shall not be required on account of military supplies or equipment issued by the War Department for military instruction and practice by the students of high schools in the District of Columbia.

Books for Wilson Teachers College.

For completely furnishing and equipping buildings and additions to buildings as follows: Eastern High School; Bundy School, addition and assembly-gymnasium; Lenox Vocational School; \$82,415: *Provided*, That the amount of \$26,000 made available for the Denison Vocational School in the appropriation under this head in the District of Columbia Appropriation Act, approved June 29, 1937, is hereby continued available for the same purposes during the fiscal year 1939.

*Proviso.*  
Military supplies issued to cadets; bond not required.

Equipment, etc., for designated buildings.

*Proviso.*  
Denison Vocational School, amount continued.  
50 Stat. 370.

Supplies to pupils.  
46 Stat. 62.

For textbooks and other educational books and supplies as authorized by the Act of January 31, 1930 (46 Stat. 62), including not to exceed \$7,000 for personal services, \$190,000, to be immediately available.

Kindergartens.

For maintenance of kindergartens, \$5,600, to be immediately available.

For purchase of apparatus, fixtures, specimens, technical books, and for extending the equipment and for the maintenance of laboratories of the department of physics, chemistry, biology, and general science in the several high and junior high schools, vocational schools, and teachers colleges, and for the installation of the same, \$16,975, to be immediately available.

For utensils, materials, and labor, for establishment and maintenance of school gardens, and for use in teaching elementary science in connection therewith, \$2,400.

For repairs and improvements to school buildings and grounds, including maintenance of motor trucks, and not to exceed \$975 for the replacement of one one and one-half ton truck, not to exceed \$40,000 for replacement of boilers, not to exceed \$9,000 for replacement of the heating plant at the Administration Annex Numbered 2, and not to exceed \$40,000 for replacement of a section of the McKinley High School retaining wall, \$485,000, of which amount \$100,000 shall be immediately available: *Provided*, That work performed for repairs and improvements shall be by contract or otherwise, as may be determined by the Commissioners to be most advantageous to the District of Columbia.

To carry out the purposes of the Act approved June 11, 1926, entitled "An Act to amend the Act entitled 'An Act for the retirement of public-school teachers in the District of Columbia', approved January 15, 1920, and for other purposes" (41 Stat. 387-390), \$510,000.

#### THE DEAF, DUMB, AND BLIND

For maintenance and instruction of deaf and dumb persons admitted to the Columbia Institution for the Deaf from the District of Columbia, under section 4864 of the Revised Statutes, and as provided for in the Act approved March 1, 1901 (24 U. S. C. 238), and under a contract to be entered into with the said institution by the Commissioners, \$35,500.

For maintenance and instruction of colored deaf-mutes of teachable age belonging to the District of Columbia, in Maryland, or some other State, under a contract to be entered into by the Commissioners, \$8,000: *Provided*, That all expenditures under this appropriation shall be made under the supervision of the Board of Education.

For maintenance and instruction of blind children of the District of Columbia, in Maryland, or some other State, under a contract to be entered into by the Commissioners, \$11,500: *Provided*, That all expenditures under this appropriation shall be made under the supervision of the Board of Education.

No part of any appropriation made in this Act shall be paid to any person employed under or in connection with the public schools of the District of Columbia who shall solicit or receive, or permit to be solicited or received, on any public-school premises, any subscription or donation of money or other thing of value from any pupil enrolled in such public schools for presentation of testimonials to school officials or for any purpose except such as may be authorized by the Board of Education at a stated meeting upon the written recommendation of the superintendent of schools.

No money appropriated in this Act for the purchase of furniture and equipment and school supplies for the public schools of the District of Columbia shall be expended unless the requisitions of the Board of Education therefor shall be approved by the Commissioners of the District of Columbia, or by the purchasing officer and the auditor for the District of Columbia acting for the Commissioners.

Supplies for general science, etc., departments.

School gardens, utensils, etc.

Repairs, etc., to buildings.

McKinley High School, retaining wall.

*Proriso.*  
Contracts, etc.

Annuities.  
41 Stat. 387; 44 Stat. 727.

Deaf, dumb, and blind.

Maintenance and instruction.

R. S. § 4864.  
31 Stat. 844.  
7 D. C. Code § 218.

Colored deaf-mutes. Maintenance and instruction.

*Proriso.*  
Supervision of expenditures.  
Blind children. Maintenance and instruction.  
*Proriso.*  
Supervision of expenditures.

Solicitation of subscriptions, etc.

Requisitions for equipment, approval by Commissioners.



Nature study, etc., teachers.

Children of Army, Navy officers, etc., admitted to schools free.

Buildings and grounds.

Vocational school replacing Lenox building.

Senior high, Fifth and Sheridan Streets NW.

Junior high, Banneker playground site.

Extensible school building on Petworth playground site.

Woodrow Wilson Senior High, improvement of grounds.

Crosby Noyes, second story addition.  
Alice Deal Junior High, auditorium.

Aggregate; accounting.

*Proviso.*  
Use restricted.

Sites designated.

Junior high, vicinity of Minnesota Avenue, Eighteenth Street, etc., SE.; fund available.  
50 Stat. 372.

Thomas Jefferson Memorial Junior High and Library.  
Sum available for site; location.  
50 Stat. 372.

The Board of Education is authorized to designate the months in which the ten salary payments now required by law shall be made to teachers assigned to instruction in nature study and school gardening, and in health, physical education, and playground activities.

The children of officers and men of the United States Army, Navy, and Marine Corps, and children of other employees of the United States stationed outside the District of Columbia shall be admitted to the public schools without payment of tuition.

#### BUILDINGS AND GROUNDS

For completing the construction of a vocational school to replace the present Lenox Vocational School, on land now owned by the District of Columbia at Potomac Avenue between Thirteenth and Fourteenth Streets Southeast, \$200,000;

For continuing the construction of a new senior high school on a site already owned by the District of Columbia at Fifth and Sheridan Streets Northwest, \$550,000;

For completing the construction of a junior high school building on a portion of the site of the existing Banneker Playground, \$524,650;

For the construction of an eight-room extensible school building on a portion of the site of the existing Petworth Playground at Hamilton and Third Streets Northwest, \$160,000;

For the improvement of the grounds of the Woodrow Wilson Senior High School, including the erection of structures thereon for the utilization of such grounds for athletic purposes, \$64,000;

For a second story addition to the Crosby Noyes School, \$60,000;

For a sloping floor in the auditorium of the Alice Deal Junior High School, \$10,000;

In all, \$1,568,650, to be immediately available and to be disbursed and accounted for as "Buildings and grounds, public schools", and for that purpose shall constitute one fund and remain available until expended: *Provided*, That no part of this appropriation shall be used for or on account of any school building not herein specified.

For the purchase of school building and playground sites as follows:

For the purchase of land adjoining the Douglass-Simmons School for physical education purposes;

For the purchase of a site for school purposes in the vicinity of Mount Olivet and Bladensburg Roads;

In all, \$52,500.

The appropriation contained in the District of Columbia Appropriation Act for the fiscal year 1938 for the purchase of a site for an elementary school in the vicinity of Third Street and Concord Avenue Northwest, or such part thereof as may be necessary, is hereby reappropriated and made available for the purchase of a site for a junior high school in the vicinity of Minnesota Avenue, Eighteenth Street, and Good Hope Road Southeast;

The unexpended balance of the appropriation of \$200,000 contained in the District of Columbia Appropriation Act for the fiscal year 1932 for the erection of a new school building for the Jefferson Junior High School and made available in the District of Columbia Appropriation Act for the fiscal year 1938 for the acquisition of a site in the area bounded by Seventh Street on the west and K Street on the south in southwest Washington for a new building for the Thomas Jefferson Memorial Junior High School and Library, is hereby continued available for the latter purpose without restriction as to area in southwest Washington within which said building may be located.

No part of the foregoing appropriations for public schools shall be used for instructing children under five years of age except children entering during the first half of the school year who will be five years of age by November 1, 1938, and children entering during the second half of the school year who will be five years of age by March 15, 1939: *Provided*, That this limitation shall not be considered as preventing the employment of a matron and the care of children under school age at the Webster School whose parent or parents are in attendance in connection with Americanization work.

None of the money appropriated by this Act shall be paid or obligated toward the construction of or addition to any building the whole and entire construction of which, exclusive of heating, lighting, plumbing, painting, and treatment of grounds, shall not have been awarded in one or a single contract, separate and apart from any other contract, project, or undertaking, to the lowest responsible bidder complying with all the legal requirements as to a deposit of money or the execution of a bond, or both, for the faithful performance of the contract: *Provided*, That nothing herein shall be construed as repealing existing law giving the Commissioners the right to reject all bids.

The plans and specifications for all buildings provided for in this Act under appropriations administered by the Commissioners of the District of Columbia shall be prepared under the supervision of the municipal architect, and those for school buildings after consultation with the Board of Education, and shall be approved by the Commissioners and shall be constructed in conformity thereto.

The school buildings authorized and appropriated for herein shall be constructed with all doors intended to be used as exits or entrances opening outward, and each of said buildings having in excess of eight rooms shall have at least four exits. Appropriations carried in this Act shall not be used for the maintenance of school in any building unless all outside doors thereto used as exits or entrances shall open outward and be kept unlocked every school day from one-half hour before until one-half hour after school hours.

## METROPOLITAN POLICE

### SALARIES

For the pay and allowances of officers and members of the Metropolitan Police force, in accordance with the Act entitled "An Act to fix the salaries of the Metropolitan Police force, the United States Park Police force, and the fire department of the District of Columbia" (43 Stat. 174-175), as amended by the Act of July 1, 1930 (46 Stat. 839-841), \$2,894,870.

For personal services, \$148,980.

### MISCELLANEOUS

For fuel, \$7,000.

For repairs and improvements to police stations and station grounds, \$18,000, including not exceeding \$10,000 for converting the present quarters occupied by the Women's Bureau for use as a police precinct station.

For miscellaneous and contingent expenses, including rewards for fugitives, purchase of gas equipment and firearms, maintenance of card system, stationery, city directories, books of reference, periodicals, newspapers, telegraphing, telephoning, photographs, rental and maintenance of teletype system and labor-saving devices, telephone service charges, purchase, maintenance, and servicing of radio broadcasting systems, purchase of equipment, gas, ice, washing, meals

Under-age instruction prohibited; exception.

*Proviso.*  
Exception; parent in Americanization work.

Building contracts, requirements.

*Proviso.*  
Right to reject bids.

Preparation of plans, etc.

Exit, etc., requirements.

Metropolitan Police.

Salaries.  
*Post*, p. 1119.

43 Stat. 174; 46 Stat. 839.

Personal services.

Miscellaneous.

Fuel.

Repairs, etc.

Women's Bureau quarters, alterations.

Contingent expenses.

for prisoners, medals of award, not to exceed \$300 for car tickets, furniture and repair thereto, beds and bed clothing, insignia of office, police equipments and repairs to same, and mounted equipment, flags and halyards, storage and hauling of stolen or abandoned property, and traveling and other expenses incurred in prevention and detection of crime and other necessary expenses, including expenses of harbor patrol, \$76,595, of which amount not exceeding \$10,000 shall be immediately available and may be expended by the major and superintendent of police for prevention and detection of crime, under his certificate, approved by the Commissioners, and every such certificate shall be deemed a sufficient voucher for the sum therein expressed to have been expended.

Motor vehicles, etc. For purchase, exchange, and maintenance of passenger-carrying and other motor vehicles and the replacement of those worn out in the service and condemned, \$70,000.

Uniforms. Uniforms: For furnishing uniforms and other official equipment prescribed by department regulations as necessary and requisite in the performance of duty to officers and members of the Metropolitan Police, including cleaning, alteration, and repair of articles transferred from one individual to another, \$50,500.

House of Detention.

#### HOUSE OF DETENTION

Maintenance, etc. For maintenance of a suitable place for the reception and detention of girls and women, and of boys under seventeen years of age, arrested by the police on charge of offense against any laws in force in the District of Columbia, or held as witnesses or held pending final investigation or examination, or otherwise, or committed to the guardianship of the Board of Public Welfare, including transportation, clinic supplies, food, clothing, upkeep and repair of buildings, fuel, gas, ice, laundry, supplies and equipment, electricity, and other necessary expenses, \$13,500; for personal services, \$9,240; in all, \$22,740.

Policemen and Firemen's Relief.

#### POLICEMEN AND FIREMEN'S RELIEF

Payments.

To pay the policemen and firemen's relief and other allowances as authorized by law, \$1,015,000.

Fire Department.

#### FIRE DEPARTMENT

##### SALARIES

Salaries.

For the pay of officers and members of the fire department, in accordance with the Act entitled "An Act to fix the salaries of officers and members of the Metropolitan Police force, the United States Park Police force, and the fire department of the District of Columbia" (43 Stat. 175), as amended by the Act of July 1, 1930 (46 Stat. 839-841), \$2,206,000.

43 Stat. 175; 46 Stat. 839.

Personal services.

For personal services, \$5,620.

Miscellaneous.

##### MISCELLANEOUS

Repairs, etc., to buildings.  
Engine House No. 22, addition.

For repairs and improvements to buildings and grounds, including \$16,000 for an addition to No. 22 Engine House, and for repairs, alterations, and new heating plant for said house, \$36,000.

Uniforms.

Uniforms: For furnishing uniforms and other official equipment prescribed by department regulations as necessary and requisite in the performance of duty to officers and members of the fire department, including cleaning, alteration, and repair of articles transferred from one individual to another, \$23,000.

For repairs to apparatus, motor vehicles, and other motor-driven apparatus, fire boat and for new apparatus, new motor vehicles, new appliances, employment of mechanics, helpers, and laborers in the fire department repair shop, and for the purchase of necessary supplies, materials, equipment, and tools, \$40,000: *Provided*, That the Commissioners are authorized, in their discretion, to build or construct, in whole or in part, fire-fighting apparatus in the fire department repair shop.

For hose, \$15,000.

For fuel, \$23,500.

For contingent expenses, furniture, fixtures, oil, blacksmithing, gas and electric lighting, flags, and halyards, medals of award, and other necessary items, \$22,500.

For additional fire-fighting apparatus, \$64,000.

### HEALTH DEPARTMENT

Salaries: For personal services, including the employment of a business manager to supervise the business administration and operation of municipal hospitals and sanatoria and business activities of the Health Department, to be appointed by the Commissioners without reference to the Classification Act of 1923, as amended, and civil-service requirements, and including not exceeding \$16,880 for the inspection of all Federal buildings and all public establishments and employees where food is sold or served and not to exceed \$6,000 for contract investigational services, without reference to section 3709 of the Revised Statutes (41 U. S. C. 5), \$229,690.

Prevention of contagious diseases: For contingent expenses incident to the enforcement of the provisions of an Act to prevent the spread of contagious diseases in the District of Columbia, approved March 3, 1897 (29 Stat. 635-641), and an Act for the prevention of scarlet fever, diphtheria, measles, whooping cough, chickenpox, epidemic cerebrospinal meningitis, and typhoid fever in the District of Columbia, approved February 9, 1907 (34 Stat. 889-890), and an Act to provide for registration of all cases of tuberculosis in the District of Columbia, for free examination of sputum in suspected cases, and for preventing the spread of tuberculosis in said District of Columbia, approved May 13, 1908 (35 Stat. 126-127), under the direction of the health officer of said District, manufacture of serums, including their use in indigent cases, and for the prevention of infantile paralysis and other communicable diseases, and of an Act for the prevention of venereal diseases in the District of Columbia, and for other purposes, approved February 26, 1925 (43 Stat. 1001-1003), and for maintenance of disinfecting service, including salaries or compensation for personal services, when ordered in writing by the Commissioners and necessary for the enforcement and execution of said Acts, and for the prevention of such other communicable diseases as hereinbefore provided, and purchase of reference books and medical journals, \$43,830: *Provided*, That any bacteriologist employed under this appropriation may be assigned by the health officer to the bacteriological examination of milk and other dairy products and of the water supplies of dairy farms, and to such other sanitary works as in the judgment of the health officer will promote the public health, whether such examinations be or be not directly related to contagious diseases.

Maintenance of Dispensaries: For the maintenance of a dispensary or dispensaries for the treatment of indigent persons suffering from tuberculosis and of indigent persons suffering from venereal diseases, including payment for personal services, rent, supplies, and con-

Repairs to apparatus, etc.

*Proviso.*  
Construction at repair shop.

Hose.

Fuel.

Contingent expenses.

New apparatus.

Health Department.

Salaries.  
*Post*, p. 1121.

5 U. S. C. §§ 661-674; 631-632; Supp. III, §§ 673, 673c.

Inspection of public buildings where food is sold, etc.

Contract investigational services.

R. S. § 3709.

41 U. S. C. § 5.

Prevention of contagious diseases.

29 Stat. 635.  
Scarlet fever, etc.

34 Stat. 889.  
Tuberculosis registration.

35 Stat. 126.

Infantile paralysis, etc.  
Venereal diseases.

43 Stat. 1001.

Disinfecting service.

*Proviso.*  
Bacteriological examination of milk, etc.

Maintenance of dispensaries.

*Provisos.*  
Volunteer services.

Compensation re-  
striction.

Nursing service.

*Provisos.*  
Volunteer services.

Compensation re-  
striction.

Abatement of nui-  
sances.  
Drainage of lots.  
29 Stat. 125.  
34 Stat. 114.

School hygiene and  
sanitation, salaries.

Free dental clinics.

Laboratories, main-  
tenance.

Food, drugs, candy,  
etc., adulteration Acts,  
enforcement.  
*Post*, p. 1121.  
30 Stat. 246, 398.

34 Stat. 768.  
21 U. S. C. §§ 1-26.  
Milk regulation.  
43 Stat. 1004.

*Proviso.*  
Vehicle allowance,  
inspectors.

Maternal and child  
health service.

*Provisos.*  
Volunteer services.

Compensation re-  
striction.

Tuberculosis Sana-  
toria.

tingent expenses, \$53,220: *Provided*, That the Commissioners may accept such volunteer services as they deem expedient in connection with the establishment and maintenance of the dispensaries herein authorized: *Provided further*, That this shall not be construed to authorize the expenditure or the payment of any money on account of any such volunteer service.

Nursing service: For maintaining a nursing service, including personal services, uniforms, supplies, and contingent expenses, \$151,540: *Provided*, That the Commissioners may accept such volunteer services as they deem expedient in connection with the maintenance of the nursing service herein authorized: *Provided further*, That this shall not be construed to authorize the expenditure or payment of any money on account of any such volunteer service.

Abatement of nuisances: For enforcement of the provisions of an Act to provide for the drainage of lots in the District of Columbia, approved May 19, 1896 (29 Stat. 125-126), and an Act to provide for the abatement of nuisances in the District of Columbia by the Commissioners, and for other purposes, approved April 14, 1906, \$1,000.

School hygiene and sanitation, salaries: For personal services in the conduct of hygiene and sanitation work in schools in the District of Columbia, including the necessary expenses of maintaining free dental clinics, and the establishment of one clinic, \$111,060.

For maintenance of laboratories, including reference books and periodicals, apparatus, equipment, and necessary contingent and miscellaneous expenses, \$6,000.

Contingent expenses, foods and drugs: For contingent expenses incident to the enforcement of an Act relating to the adulteration of foods and drugs in the District of Columbia approved February 17, 1898 (30 Stat. 246-248), an Act to prevent the adulteration of candy in the District of Columbia, approved May 5, 1898 (30 Stat. 398), an Act for preventing the manufacture, sale, or transportation of adulterated or misbranded or poisonous or deleterious foods, drugs, medicines, and liquors, and for regulating traffic therein, and for other purposes, approved June 30, 1906 (34 Stat. 768-772), and an Act to regulate, within the District of Columbia, the sale of milk, cream, and ice cream, and for other purposes, approved February 27, 1925 (43 Stat. 1004-1008), including traveling and other necessary expenses of dairy-farm inspectors, and car tokens and passes for nurses, sanitary inspectors and food inspectors; and including not to exceed \$200 for special services in detecting adulteration of drugs and foods, including candy and milk, \$7,000: *Provided*, That inspectors of dairy farms may receive an allowance for furnishing privately owned motor vehicles in the performance of official duties at the rate of not to exceed \$312 per annum for each inspector.

Maternal and child health service: For maintaining a maternal and child health service, including the establishment and maintenance of maternal and child health stations for clinical examinations, payment for personal services, rent, fuel, periodicals, and supplies, \$25,900: *Provided*, That the Commissioners may accept such volunteer services as they may deem expedient in connection with the establishment and maintenance of the service herein authorized: *Provided further*, That this shall not be construed to authorize the expenditure or the payment of any money on account of any such volunteer service.

For the following hospital and sanatoria:

Tuberculosis Sanatoria: For personal services, including not to exceed \$3,000 for compensation of consulting physicians at rates to

be fixed by the Commissioners, \$350,000, and nurses for said sanatoria may be appointed without reference to civil service requirements.

For provisions, fuel, forage, harness and vehicles and repairs to same, gas, water, ice, shoes, clothing, dry goods, tailoring, drugs and medical supplies, furniture and bedding, kitchen utensils, medical books, schoolbooks, classroom supplies, books of reference, and periodicals not to exceed \$500, maintenance of motortrucks, and other necessary items, \$223,000.

For repairs and improvements to buildings and grounds, including roads and sidewalks, \$4,000.

Gallinger Municipal Hospital: For personal services, including not to exceed six full-time chief resident physicians at \$5,600 per annum each, to be appointed without reference to civil service requirements, and including not to exceed \$2,000 for temporary labor, \$523,760, of which \$26,760 shall be available for out-patient relief of the poor including medical and surgical supplies, artificial limbs, and pay of physicians.

For maintenance of the hospital; for maintenance of the quarantine station, smallpox hospital, and public crematorium, including expenses incident to furnishing proper containers for the reception, burial, and identification of the ashes of all human bodies of indigent persons that are cremated at the public crematorium and remain unclaimed after twelve months from the date of such cremation; for maintenance and purchase of horses and horse-drawn vehicles; for medical books, books of reference, and periodicals not to exceed \$500; for maintenance of non-passenger-carrying motor vehicles; and for all other necessary expenses, \$270,000.

For repairs and improvements to buildings and grounds, \$6,000.

Purchase of books, musical instruments and music, expense of commencement exercises, entertainments, and inspection by New York State Board of Regents, and other incidental expenses of the training school for nurses, \$600.

Medical charities: For care and treatment of indigent patients under contracts to be made by the Health Officer of the District of Columbia and approved by the Commissioners with the following institutions and for not to exceed the following amounts, respectively:

Children's Hospital, \$66,000.

Central Dispensary and Emergency Hospital, \$60,000.

Eastern Dispensary and Casualty Hospital, \$45,000.

Washington Home for Incurables, \$15,000.

Columbia Hospital and Lying-in Asylum: For general repairs, including labor and material, to be expended in the discretion and under the direction of the Architect of the Capitol, \$5,000.

Health Center: For the construction of a building for a Health Center in southwest Washington, including necessary fixed equipment therefor, on land owned by the District of Columbia, \$200,000.

The unexpended balance of the appropriation of \$165,000 for the construction of a health center on the site of the Jones elementary school at First and L Streets Northwest, made in the District of Columbia Appropriation Act for the fiscal year 1938, is hereby repealed.

## COURTS

### JUVENILE COURT

Salaries: For personal services, \$64,270.

Miscellaneous: For compensation of jurors, \$2,000.

For fuel, ice, gas, laundry work, stationery, books of reference, periodicals, typewriters and repairs thereto, preservation of records,

Provisions, etc.

Repairs and improvements.

Gallinger Municipal Hospital.

Maintenance, etc.

Repairs, etc.

Incidental expenses.

Medical charities.  
Care, etc., of indigent patients at designated hospitals.

Columbia Hospital, repairs.

Health Center, construction, etc.

50 Stat. 377.

Courts.

Juvenile Court.

Salaries.  
Post, p. 1121.  
Miscellaneous.

Contingent expenses.

Advances for returning absconding probationers.

mops, brooms, and buckets, removal of ashes and refuse, telephone service, traveling expenses, meals of jurors and prisoners, repairs to courthouse and grounds, furniture, fixtures, and equipment, and other incidental expenses not otherwise provided for, \$2,400.

The disbursing officer of the District of Columbia is authorized to advance to the chief probation officer of the juvenile court upon requisition previously approved by the judge of the juvenile court and the auditor of the District of Columbia, sums of money not to exceed \$50 at any one time, to be expended for transportation and traveling expenses to secure the return of absconding probationers, and to be accounted for monthly on itemized vouchers to the accounting officer of the District of Columbia.

#### Police Court.

#### POLICE COURT

##### Salaries.

Salaries: For personal services, \$98,400.

##### Contingent expenses.

For law books, books of reference, directories, periodicals, stationery, rebinding of books, preservation of records, typewriters and repairs thereto, fuel, ice, gas, electric lights and power, telephone service, laundry work, removal of ashes and rubbish, mops, brooms, buckets, dusters, sponges, painter's and plumber's supplies, toilet articles, medicines, soap and disinfectants, lodging and meals for jurors and bailiffs when ordered by the court, United States flags and halyards, and all other necessary and incidental expenses of every kind not otherwise provided for, \$3,250.

##### Witness fees and jurors' compensation.

For witness fees and compensation of jurors, \$31,500.

#### Municipal Court.

#### MUNICIPAL COURT

##### Salaries.

*Post*, p. 1122.

Salaries: For personal services, including compensation of five judges without reference to the limitation in this Act restricting salaries within the grade, \$76,420.

##### Jurors. *Proviso.* Deposits for jury trials earned unless new date set, etc. 41 Stat. 1312.

For compensation of jurors, \$8,700: *Provided*, That deposits made on demands for jury trials in accordance with rules prescribed by the court under authority granted in section 11 of the Act approved March 3, 1921 (41 Stat. 1312), shall be earned unless, prior to three days before the time set for such trials, including Sundays and legal holidays, a new date for trial be set by the court, cases be discontinued or settled, or demands for jury trials be waived.

##### Contingent expenses.

For contingent expenses, including books, law books, books of reference, fuel, light, telephone, lodging and meals for jurors, and for deputy United States marshals while in attendance upon jurors, when ordered by the court; fixtures, repairs to furniture, building and building equipment, and all other necessary miscellaneous items and supplies, \$1,550.

#### Miscellaneous.

#### MISCELLANEOUS

##### Probation system, District Court of the U. S. for the District.

Probation system, District Court of the United States for the District of Columbia: For personal services, \$13,280; contingent expenses, \$500; in all, \$13,780.

##### Support of convicts.

Support of convicts: For support, maintenance, and transportation of convicts transferred from District of Columbia; expenses of shipping remains of deceased convicts to their homes in the United States, and expenses of interment of unclaimed remains of deceased convicts; expenses incurred in identifying and pursuing escaped convicts and rewards for their recapture; and discharge gratuities provided by law, \$61,000.

##### Lunacy writs. Expenses of execution, etc. *Post*, p. 1119.

Writs of lunacy: For expenses attending the execution of writs de lunatico inquirendo and commitments thereunder in all cases of indigent insane persons committed or sought to be committed to

Saint Elizabeths Hospital by order of the executive authority of the District of Columbia under the provisions of existing law, and expenses of commitments to the District Training School, \$1,000.

## PUBLIC WELFARE

### BOARD OF PUBLIC WELFARE

For personal services, including not to exceed \$7,250 for contract investigational services, without reference to section 3709 of the Revised Statutes (41 U. S. C. 5), \$104,990.

### DIVISION OF CHILD WELFARE

Administration: For administrative expenses, including placing and visiting children, city directory, purchase of books of reference and periodicals not exceeding \$50, and all office and sundry expenses, \$3,500, and no part of the money herein appropriated shall be used for the purpose of visiting any ward of the Board of Public Welfare placed outside the District of Columbia and the States of Virginia and Maryland; and a ward placed outside said District and the States of Virginia and Maryland shall be visited not less than once a year by a voluntary agent or correspondent of said Board, and that said Board shall have power, upon proper showing, in its discretion, to discharge from guardianship any child committed to its care.

For board and care of all children committed to the guardianship of said Board by the courts of the District, and for temporary care of children pending investigation or while being transferred from place to place, with authority to pay not more than \$1,500 each to institutions under sectarian control and not more than \$400 for burial of children dying while under charge of the Board, \$267,500.

For the maintenance, under the jurisdiction of the Board of Public Welfare, of a suitable place in a building entirely separate and apart from the house of detention for the reception and detention of children under seventeen years of age arrested by the police on charge of offense against any laws in force in the District of Columbia, or committed to the guardianship of the Board, or held as witnesses, or held temporarily, or pending hearing, or otherwise, including transportation, food, clothing, medicine, and medicinal supplies, rental, repair and upkeep of buildings, fuel, gas, electricity, ice, supplies and equipment, and other necessary expenses including not to exceed \$9,560 for personal services, \$19,000: *Provided*, That no part of this appropriation shall be available for the operation of this institution after December 31, 1938.

The disbursing officer of the District of Columbia is authorized to advance to the director of public welfare, upon requisitions previously approved by the auditor of the District of Columbia and upon such security as may be required of said director by the Commissioners, sums of money not to exceed \$400 at any one time, to be used for expenses in placing and visiting children, traveling on official business of the Board, and for office and sundry expenses, all such expenditures to be accounted for to the accounting officers of the District of Columbia within one month on itemized vouchers properly approved.

### JAIL

Salaries: For personal services, \$89,760.

For maintenance and support of prisoners of the District of Columbia at the jail, including subsistence of internes; expenses incurred in identifying and pursuing escaped prisoners and rewards for their

Public Welfare.

Board of Public Welfare.

Salaries; contract investigational services. 41 U. S. C. § 5.

Division of Child Welfare.

Administrative expenses.

Restriction on expenditure.

Home care of dependent children. Temporary care pending investigation, etc.

Receiving home for children under seventeen. Maintenance. *Post*, p. 1123.

*Proviso*. Appropriation not available after December 31, 1938.

Advances to director.

Placing and visiting children.

Jail.

Salaries.

Maintenance, etc., of prisoners.



capture; repair and improvements to buildings, cells, and locking devices; newspapers, books, and periodicals not to exceed \$100; maintenance of non-passenger-carrying motor vehicle; and expense of electrocutions, \$83,000.

Construction of addition to jail.

Addition to jail: For beginning construction of an addition to, and for the necessary remodeling of, the jail, to provide for administrative offices, a hospital, execution facilities, and a walled exercise yard, \$125,000, of which sum \$5,200 shall be immediately available for the preparation of plans and specifications; and the Commissioners are authorized to enter into a contract or contracts for such construction at a total cost not to exceed \$250,000.

Workhouse and Reformatory.

GENERAL ADMINISTRATION, WORKHOUSE AND REFORMATORY,  
DISTRICT OF COLUMBIA

Personal services.  
Maintenance, etc.

For personal services, \$473,660.

For maintenance, care, and support of inmates, including subsistence of internes, rewards for fugitives, discharge gratuities provided by law, medical supplies, newspapers, books, books of reference and periodicals, farm implements, tools, equipment, transportation expenses, purchase and maintenance of livestock and horses; purchase of a moving-picture machine at not to exceed \$1,500; purchase, exchange, maintenance, operation, and repair of non-passenger-carrying vehicles and motorbus; fuel for heating, lighting, and power, and all other necessary items, including uniforms and caps for guards, \$464,000.

Repairs to buildings, etc.

For repairs to buildings and grounds, and maintenance of utilities, marine and railroad transportation facilities, and mechanical equipment not used in industrial enterprises, \$27,000.

Working capital fund for industrial enterprises.

*Proviso.*  
Purchase of services and products.

To provide a working capital fund for such industrial enterprises as may be approved by the Commissioners of the District of Columbia, \$30,000: *Provided*, That the various departments and institutions of the District of Columbia and the Federal Government may purchase, at fair market prices, as determined by the Commissioners, such surplus products and services as meet their requirements; receipts from the sale of products and services shall be deposited to the credit of said working capital fund, and said fund, including all receipts credited thereto, shall be used as a revolving fund for the fiscal year 1939 for the purchase and repair of machinery, tools, and equipment, purchase of raw materials and manufacturing supplies, purchase, maintenance, and operation of non-passenger-carrying vehicles, purchase and maintenance of horses, and purchase of fuel for manufacturing purposes; for freight, personal services, and all other necessary expenses; and for the payment to inmates or their dependents of such pecuniary earnings as the Commissioners may deem proper.

Buildings for women, construction, etc.

For continuing construction of permanent buildings for women, including sewers, water mains, and other necessary utilities, \$11,000.

Construction of buildings and enclosing walls, etc.

For continuing construction of buildings and enclosing walls, including purchase of equipment and furniture, to provide for the custody of such prisoners as should be confined within a walled enclosure, \$45,000.

Central warehouse and service building.

For construction of a central warehouse and service building, including necessary equipment and utilities, \$105,000.

Acquisition of additional land.

*Proviso.*  
Title to property.

For the acquisition by the Commissioners of additional land for the workhouse and reformatory, \$5,000: *Provided*, That the title to said property shall be taken directly to and in the name of the United States, and in case a satisfactory price cannot be agreed upon for the purchase of said land the Attorney General of the United States, at

the request of the Commissioners of the District of Columbia, shall institute condemnation proceedings to acquire such land as may be selected in the State of Virginia in accordance with the laws of said State, and expenses of procuring evidences of title or of condemnation, or both, shall be paid out of the appropriation made for the purchase of said land.

The disbursing officer of the District of Columbia is authorized to advance to the general superintendent of penal institutions, upon requisitions previously approved by the auditor of the District of Columbia, and upon such security as the Commissioners may require of said superintendent, sums of money not exceeding \$300 at one time, to be used only for expenses in returning escaped prisoners, conditional releasees, and parolees, payable from the maintenance appropriations for the workhouse and reformatory, all such expenditures to be accounted for to the accounting officers of the District of Columbia within one month on itemized vouchers properly approved.

Advances for returning escaped prisoners.

#### NATIONAL TRAINING SCHOOL FOR BOYS

For care and maintenance of boys committed to the National Training School for Boys by the courts of the District of Columbia under a contract to be made by the Board of Public Welfare with the authorities of said National Training School for Boys, \$80,000.

National Training School for Boys.

Care, etc., of boys committed to.

#### DISTRICT TRAINING SCHOOL

For personal services, including not to exceed \$2,500 for temporary labor, \$108,760.

District Training School.

Personal services.

For maintenance and other necessary expenses, including the maintenance of non-passenger-carrying motor vehicles, the purchase and maintenance of horses and wagons, farm machinery and implements, and not to exceed \$300 for the purchase of books, books of reference, and periodicals, \$100,000.

Maintenance, etc.

For repairs and improvements to buildings and grounds, \$6,500.

Repairs, etc.

The appropriation of \$4,500, contained in the Third Deficiency Act, fiscal year 1937, for repairing a bridge across the Little Patuxent River on the grounds of the District Training School near Laurel, Maryland, is hereby reappropriated and continued available, during the fiscal year 1939, for the same purposes and may be expended by the employment of day labor or otherwise.

Repairs to bridge across Little Patuxent River.  
50 Stat. 790.

For extension of steam tunnels and installation of steam lines in tunnels and buildings, \$11,200.

Steam tunnels, etc.

For the purchase, including exchange of one stake-body truck, \$750.

Truck.

#### INDUSTRIAL HOME SCHOOL FOR COLORED CHILDREN

Salaries: For personal services, \$39,080; temporary labor, \$500; in all, \$39,580.

Industrial Home School for Colored Children.  
Salaries.

For maintenance, including purchase and maintenance of farm implements, horses, wagons, and harness, maintenance of non-passenger-carrying motor vehicles, not to exceed \$2,250 for manual-training equipment and materials, and not to exceed \$675 for a portable motion-picture projector, \$28,675.

Maintenance, etc.

For repairs and improvements to buildings and grounds, \$7,500.

Repairs, etc.

#### INDUSTRIAL HOME SCHOOL

Salaries: For personal services, \$24,780; temporary labor, \$1,000; in all, \$25,780.

Industrial Home School.  
Salaries.

For maintenance, including purchase of equipment, maintenance of non-passenger-carrying motor vehicles, \$23,000.

Maintenance.

For repairs and improvements to buildings and grounds, \$2,500.

Repairs.

## Home for Aged and Infirm.

## HOME FOR AGED AND INFIRM

## Salaries.

Salaries: For personal services, \$65,840; temporary labor, \$2,000; in all, \$67,840.

## Contingent expenses.

For provisions, fuel, forage, harness and vehicles and repairs to same, ice, shoes, clothing, dry goods, tailoring, drugs and medical supplies, furniture and bedding, kitchen utensils, and other necessary items, purchase and exchange of one farm tractor at not to exceed \$1,300, and maintenance of non-passenger-carrying motor vehicles, \$74,300.

## Repairs, etc.; day labor.

For repairs and improvements to buildings and grounds, such work to be performed by day labor or otherwise in the discretion of the Commissioners, \$12,000.

## Municipal Lodging House.

## MUNICIPAL LODGING HOUSE

For personal services, \$3,600; maintenance, \$4,000; in all, \$7,600.

## Public assistance.

## PUBLIC ASSISTANCE

## Relief of the unemployed, etc.

For the purpose of affording relief to residents of the District of Columbia who are unemployed or otherwise in distress because of the existing emergency, to be expended by the Board of Public Welfare of the District of Columbia by employment and direct relief, in the discretion of the Board of Commissioners and under rules and regulations to be prescribed by the board and without regard to the provisions of any other law, payable from the revenues of the District of Columbia, \$900,000, and not to exceed 8½ per centum of this appropriation and of Federal grants reimbursed under this appropriation shall be expended for personal services, and not to exceed \$20,000 may be expended for the distribution of surplus commodities, including \$4,020 for personal services: *Provided*, That all auditing, disbursing, and accounting for funds administered through the Public Assistance Division of the Board of Public Welfare, including all employees engaged in such work and records relating thereto, shall be under the supervision and control of the Auditor of the District of Columbia: *Provided*, That no part of this appropriation shall be expended in such a manner as to require a deficiency to supplement such appropriation: *Provided further*, That not more than \$60 per month shall be paid therefrom to any one family.

## From District revenues.

*Proviso.*  
Supervision of accounts.

## Antideficiency provision.

## Payment restriction.

## Home care for dependent children.

44 Stat. 758.

*Proviso.*  
Apportionment restrictions.

Home Care for Dependent Children: To carry out the purposes of the Act entitled "An Act to provide home care for dependent children in the District of Columbia", approved June 22, 1926 (44 Stat. 758-760), including not to exceed \$13,060 for personal services in the District of Columbia, \$163,000: *Provided*, That this appropriation shall be so apportioned and distributed by the Commissioners over the fiscal year ending June 30, 1939, and shall be so administered during such fiscal year, as to constitute the total amount that will be utilized during such fiscal year for such purposes, and no more than \$75 per month shall be paid therefrom to any one family, and no more than \$400 shall be paid for burial of children dying while beneficiaries under said Act.

## Old-age assistance.

Assistance against old-age want: To carry out the provisions of the Act entitled "An Act to amend the Code of Laws for the District of Columbia in relation to providing assistance against old-age want", approved August 24, 1935 (49 Stat. 747), including not to exceed \$32,265 for personal services and other necessary expenses, \$597,000.

49 Stat. 747.

## Pensions for needy blind persons.

Pensions for needy blind persons: To carry out the provisions of the Act entitled "An Act to provide aid for needy blind persons of the District of Columbia and authorizing appropriations therefor", approved August 24, 1935 (49 Stat. 744), \$36,250.

49 Stat. 744.

## TEMPORARY HOME FOR FORMER SOLDIERS AND SAILORS

For personal services, \$4,620; maintenance, \$11,750; and repairs to buildings and grounds, \$1,000; in all, \$17,370, to be expended under the direction of the Commissioners; and former Union soldiers, sailors, or marines of the Civil War, former soldiers, sailors, or marines of the Spanish War, Philippine Insurrection, or China relief expedition, and former soldiers, sailors, or marines of the World War or who served prior to July 2, 1921, shall be admitted to the home, all under the supervision of a board of management.

Temporary home  
for former soldiers and  
sailors.  
Personal services,  
maintenance, etc.

## FLORENCE CRITTENTON HOME

For care and maintenance of women and children under contracts to be made by the Board of Public Welfare, with the Florence Crittenton Home and other like institutions, \$8,000.

Florence Crittenton  
Home.

## SOUTHERN RELIEF SOCIETY

For care and maintenance of needy and infirm Confederate veterans, their widows and dependents, residents in the District of Columbia, under a contract to be made with the Southern Relief Society by the Board of Public Welfare, \$10,000.

Southern Relief  
Society.

## NATIONAL LIBRARY FOR THE BLIND

For aid and support of the National Library for the Blind, located at 1800 D Street Northwest, to be expended under the direction of the Commissioners of the District of Columbia, \$5,000.

National Library  
for the Blind.

## COLUMBIA POLYTECHNIC INSTITUTE

To aid the Columbia Polytechnic Institute for the Blind, located at 1808 H Street Northwest, to be expended under the direction of the Commissioners of the District of Columbia, \$3,000.

Columbia Polytech-  
nic Institute.

## SAINT ELIZABETHS HOSPITAL

For support of indigent insane of the District of Columbia in Saint Elizabeths Hospital, as provided by law, \$2,426,000.

Saint Elizabeths  
Hospital.

Support of District  
indigent insane.

## NONRESIDENT INSANE

For deportation of nonresident insane persons, in accordance with the Act of Congress "to change the proceedings for admission to the Government Hospital for the Insane in certain cases, and for other purposes", approved January 31, 1899, including persons held in the psychopathic ward of the Gallinger Municipal Hospital, \$12,000.

In expending the foregoing sum the disbursing officer of the District of Columbia is authorized to advance to the Director of Public Welfare, upon requisitions previously approved by the auditor of the District of Columbia, and upon such security as the Commissioners may require of said Director, sums of money not exceeding \$300 at one time, to be used only for deportation of nonresident insane persons, and to be accounted for monthly on itemized vouchers to the accounting officer of the District of Columbia.

Nonresident insane.

Deportation ex-  
penses.  
*Post*, p. 1123.

30 Stat. 811.

Advances author-  
ized.

## BURIAL OF EX-SERVICE MEN

For expenses of burying in the Arlington National Cemetery, or in the cemeteries of the District of Columbia, indigent Union ex-soldiers, ex-sailors, or ex-marines, of the United States service, either Regular or Volunteer, who have been honorably discharged or retired, and who died in the District of Columbia, to be disbursed by the Secretary of War at a cost not exceeding \$45 for such burial expenses in each case, exclusive of cost of grave, \$270.

Ex-service men.

Burial of indigent.

## TRANSPORTATION OF INDIGENT PERSONS

Transportation of  
indigent persons.

For transportation of indigent persons, including indigent veterans of the World War and their families, \$3,500.

## VOCATIONAL REHABILITATION

Vocational rehabilitation of disabled residents.

Vocational rehabilitation of disabled residents, District of Columbia: To carry out the provisions of the Act entitled "An Act to provide for the vocational rehabilitation of disabled residents of the District of Columbia, and for other purposes", approved February 23, 1929 (45 Stat. 1260), \$25,000.

45 Stat. 1260.

Militia.

## MILITIA

Expenses authorized, under commanding general.

For the following, to be expended under the authority and direction of the commanding general, who is hereby authorized and empowered to make necessary contracts and leases, namely:

Personal services.  
Expenses of camps, etc.

For personal services, \$21,500; temporary labor, \$5,800; for expenses of camps, including hire of horses for officers required to be mounted, and for the payment of commutation of subsistence for enlisted men who may be detailed to guard or move the United States property at home stations on days immediately preceding and immediately following the annual encampments; damages to private property incident to encampment; reimbursement to the United States for loss of property for which the District of Columbia may be held responsible; cleaning and repairing uniforms, arms, and equipment; instruction, purchase, and maintenance of athletic, gymnastic, and recreational equipment at armory or field encampments, not to exceed \$500; practice marches, drills, and parades; rent of armories, drill halls, and storehouses; fuel, light, heat, care, and repair of armories, offices, and storehouses; machinery and dock, including dredging alongside of dock; construction of buildings for storage and other purposes at target range; telephone service; printing, stationery, and postage; horses and mules for mounted organizations; maintenance and operation of passenger and non-passenger-carrying motor vehicles; streetcar fares (not to exceed \$200) necessarily used in the transaction of official business; not exceeding \$400 for traveling expenses, including attendance at meetings or conventions of associations pertaining to the National Guard; and for general incidental expenses of the service, \$15,480; in all, \$42,780.

## ANACOSTIA RIVER AND FLATS

Anacostia Park.  
Continuing development.

For continuing the reclamation and development of Anacostia Park, in accordance with the revised plan as set forth in Senate Document Numbered 37, Sixty-eighth Congress, first session, including \$15,000 for the acquisition by purchase or condemnation of land and appurtenances thereto which shall be in addition to any appropriations heretofore made for the acquisition of land for this purpose, \$65,000.

## IMPROVEMENT OF WASHINGTON CHANNEL

Improvement of  
Washington Channel.

Toward the payment by the District of Columbia of its proportionate part of the cost of improving the north side of Washington Channel, District of Columbia, as set forth in the Act of Congress approved August 30, 1935, entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", \$64,000, which sum shall be transferred to the War Department and be expended under the direction of the Secretary of War and the supervision of the Chief of Engineers, and shall continue available until expended.

49 Stat. 1031.

## NATIONAL CAPITAL PARKS

National Capital  
Parks.

## SALARIES, PUBLIC PARKS, DISTRICT OF COLUMBIA

For personal services, \$351,910.

Personal services.

## GENERAL EXPENSES, PUBLIC PARKS

Public parks.

General expenses.

General expenses: For general expenses in connection with the maintenance, care, improvement, furnishing of heat, light, and power of public parks, grounds, fountains and reservations, propagating gardens and greenhouses under the jurisdiction of the National Park Service, including the tourists' camp on its present site in East Potomac Park, and including personal services of seasonal or intermittent employees at per-diem rates of pay approved by the Secretary of the Interior, not exceeding current rates of pay for similar employment in the District of Columbia; placing and maintaining portions of the parks in condition for outdoor sports and for expenses incident to the conducting of band concerts in the parks; the hire of draft animals with or without drivers at local rates approved by said Secretary; the purchase and maintenance of draft animals, harness, and wagons; contingent expenses; city directories; communication service; carfare; traveling expenses; professional, scientific, technical, and law books; periodicals and reference books, blank books and forms; photographs; dictionaries and maps; leather and rubber articles for the protection of employees and property; the maintenance, repair, exchange, and operation of not to exceed two motor-propelled passenger-carrying vehicles and all necessary bicycles, motorcycles, and self-propelled machinery; the purchase, maintenance, and repair of equipment and fixtures, and so forth, \$388,500: *Provided*, That not to exceed \$10,000 of the amount herein appropriated may be expended for the erection of minor auxiliary structures.

*Proviso.*  
Minor auxiliary  
structures.

## PARK POLICE

Park police.

Salaries: For pay and allowances of the United States park police force, in accordance with the Act approved May 27, 1924, as amended, \$175,470.

Salaries.  
43 Stat. 175; 44 Stat.  
831; 46 Stat. 839.

For uniforming and equipping the United States park police force, including the purchase, issue, operation, maintenance, repair, exchange, and storage of revolvers, bicycles, and motor-propelled passenger-carrying vehicles, uniforms, ammunition, and radio equipment and including not to exceed \$400 for the installation and rental of teletype service, \$9,400.

Uniforms, equip-  
ment, etc.

NATIONAL CAPITAL PARK AND PLANNING  
COMMISSIONNational Capital  
Park and Planning  
Commission.

For reimbursement to the United States in compliance with section 4 of the Act approved May 29, 1930 (46 Stat. 482), as amended, \$300,000.

Reimbursement to  
United States for  
lands acquired.  
46 Stat. 485.

For each and every purpose, except the acquisition of land, requisite for and incident to the work of the National Capital Park and Planning Commission as authorized by the Act entitled "An Act providing for a comprehensive development of the park and playground system of the National Capital", approved June 6, 1924 (40 U. S. C. 71), as amended, including personal services in the District of Columbia, maintenance, operation, and repair of motor-propelled passenger-carrying vehicles, not to exceed \$1,000 for printing and binding, not to exceed \$500 for traveling expenses and carfare of employees of the Commission, and not to exceed \$300 for professional, scientific,

Incidental expenses.

43 Stat. 463.  
40 U. S. C. § 71.

*Proviso.*  
Report to Congress.

technical, and reference books, and periodicals, \$40,150: *Provided*, That a statement of expenditures from this appropriation shall be reported to Congress in the annual Budget.

National Zoological  
Park.

## NATIONAL ZOOLOGICAL PARK

Expenses.

For roads, walks, bridges, water supply, sewerage, and drainage; grading, planting, and otherwise improving the grounds, erecting and repairing buildings and enclosures; care, subsistence, purchase, and transportation of animals; necessary employees; traveling and incidental expenses not otherwise provided for, including not to exceed \$2,000 for travel and field expenses in the United States and foreign countries for the procurement of live specimens and for the care, subsistence, and transportation of specimens obtained in the course of such travel; maintenance and operation of one motor-propelled passenger-carrying vehicle required for official purposes; for the purchase, issue, operation, maintenance, repair, and exchange of bicycles and non-passenger-carrying motor vehicles, revolvers, and ammunition; not exceeding \$2,500 for purchasing and supplying uniforms to Park Police, keepers, and assistant keepers; not exceeding \$100 for the purchase of necessary books and periodicals, \$227,000, no part of which sum shall be available for architect's fees or compensation.

Uniforms.

Highway fund, gasoline tax and motor vehicle fees.

## HIGHWAY FUND, GASOLINE TAX AND MOTOR VEHICLE FEES

Sums appropriated wholly out of special fund.

The following sums are appropriated wholly out of the special fund created by the Act entitled "An Act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes", approved April 23, 1924, and the Act entitled "An Act to provide additional revenue for the District of Columbia, and for other purposes", approved August 17, 1937, for expenses of the following departments and activities:

43 Stat. 106; 50 Stat. 676.

Department of Vehicles and Traffic.

## DEPARTMENT OF VEHICLES AND TRAFFIC

Personal services.

For personal services, including \$11,000 for temporary clerk hire, \$92,320.

Expenses, etc.

For purchase, installation, and modification of electric traffic lights, signals, and controls, markers, painting white lines, labor, maintenance of non-passenger-carrying motor vehicles, purchase (including exchange) of a one-ton truck at not to exceed \$870, and such other expenses as may be necessary in the judgment of the Commissioners, including not to exceed \$30,000 for the operation and maintenance of electric traffic lights, signals, and controls, \$101,210, of which not less than \$25,000 shall be expended for the purchase, installation, and modification of electric traffic-light signals and \$1,000 shall be available for directional signs: *Provided*, That no part of this or any other appropriation contained in this Act shall be expended for building, installing, and maintaining streetcar loading platforms and lights of any description employed to distinguish same.

*Proviso.*  
Streetcar loading platforms, etc., restriction.

Identification plates.

For the purchase of motor-vehicle identification number plates, \$20,000.

Police traffic control.

## POLICE TRAFFIC CONTROL

Expenses.

For expenses necessarily involved in the police control, regulation, and administration of traffic upon the highways, \$510,860, which amount shall be transferred to the appropriation contained in this Act for pay and allowances of officers and members of the Metropolitan Police force.

## HIGHWAY DEPARTMENT

Highway Department.

For personal services, \$251,000.

## STREET IMPROVEMENTS

Street improvements.

For paving, repaving, grading, and otherwise improving streets, avenues, and roads, including temporary per diem services, surveying instruments and implements, and drawing materials, and the maintenance of motor vehicles used in this work, including curbing and gutters and replacement of curb-line trees where necessary, and including assessment and permit work and the several purposes provided for thereunder, as follows:

Paving, etc., streets and roads.

For paving, repaving, and surfacing, including curbing and gutters where necessary, the following:

Improvements designated.

Southeast, Thirty-first Place, V Place to Alabama Avenue, \$18,000;  
Southeast, Thirty-second Street, V Place to Alabama Avenue, \$18,000;

Southeast, Thirty-second Street, Alabama Avenue to Denver Street, \$19,500;

Northeast, Neal Street, Bladensburg Road to Maryland Avenue, \$10,200;

Northeast, Lang Place, Bladensburg Road to Seventeenth Street, \$5,200;

Northeast, Lyman Place, Bladensburg Road to Seventeenth Street, \$3,600;

Northeast, Oates Street, Bladensburg Road to Trinidad Avenue, \$19,500;

Northeast, Queen Street, Holbrook Terrace to Montello Avenue, \$9,000;

Northeast, Trinidad Avenue, Childress Street to Raum Street, \$11,400;

Northeast, Newton Street, Twenty-sixth Street to Twenty-eighth Street, \$9,000;

Northeast, Randolph Street, Twentieth Street to Twenty-fourth Street, \$16,500;

Northeast, Shepherd Street, Eighteenth Street to Twentieth Street, \$16,500;

Northwest, Hobart Place, Fifth Street to Georgia Avenue, \$12,300;

Northwest, Farragut Street, Third Street to Fourth Street, \$6,800;

Northwest, First Street, Farragut to Gallatin, and Gallatin Street, First Street to New Hampshire Avenue, \$15,000;

Northwest, Aspen Street, Blair Road to Laurel Street, \$7,500;

Northwest, Eighth Street, concrete north of Butternut Street to Dahlia Street, \$6,800;

Northwest, Quintana Place, Fifth Street to Seventh Street, \$8,400;

Northwest, Whittier Street, Fourteenth Street to Sixteenth Street, \$12,000;

Northwest, Upshur Street, Sixteenth Street to Seventeenth Street, \$9,000;

Northwest, Runnymede Place, Broad Branch Road to approximately two hundred and fifty feet eastward, \$4,200;

Northwest, Garrison Street, Forty-fifth Street to River Road, \$10,500;

Northwest, Calvert Street, Thirty-ninth Street to Forty-first Street, \$15,000;

Northwest, Tunlaw Road, Thirty-seventh Street to W Place, and W Place, Tunlaw Road to Hall Place, \$9,000;

Northwest, Blair Road, Peabody Street to Aspen Street, \$60,000;

Northwest, Kennedy Street, Kansas Avenue to Fourteenth Street, \$94,000;



Southeast, Branch Avenue, Denver Street to District of Columbia line, \$30,000;

Southeast, Nichols Avenue, Upsal to South Capitol Street and South Capitol Street, Nichols Avenue to Atlantic Street, \$86,000;

Northwest, Forty-sixth Street, Massachusetts Avenue to River Road, \$81,000;

Northwest, Loughboro Road, Indian Lane to Glenbrook Road, \$60,000;

Northeast, C Street, Sixteenth Street to Nineteenth Street, Double Roadway, \$40,000;

Northeast, North Carolina Avenue, Fifteenth Street to Sixteenth Street, \$10,000;

Widening, etc., designated roadways.

For widening, altering, paving, and repaving roadways, in accordance with the plans and profiles to be approved by the Commissioners of the District of Columbia, including the necessary replacement and relocation of sewers, water mains, and fire-alarm and police-patrol boxes, as follows:

Northwest, K Street, Twelfth Street to Connecticut Avenue, \$121,100;

Northwest, Eleventh Street, Massachusetts Avenue to Rhode Island Avenue, \$115,200;

Northwest, Twelfth Street, New York Avenue to Massachusetts Avenue, \$46,900;

Northwest, New York Avenue, Fourteenth Street to Fifteenth Street (north side), \$15,000;

Twelfth Street west, Constitution Avenue north to Independence Avenue south, \$84,500:

*Proviso.*  
Assessment against abutting property owners.

46 Stat. 1197.

*Provided,* That in widening, altering, paving, and repaving these roadways 40 per centum of the entire cost thereof shall be assessed against and collected from the owners of the abutting property in the manner provided in the Act approved February 20, 1931 (46 Stat. 1197-1199). The owners of abutting property also shall be required to modify, at their own expense, the roofs of any vaults that may be under the sidewalks or parking on said street if it be found necessary to change such vaults to permit of the roadway being widened;

Grading; culverts, etc.

For grading streets, alleys, and roads, including construction of necessary culverts and retaining walls, \$50,000;

Paving centerstrips.

For paving the unpaved center strips of paved roadways, \$5,000;

Minor changes in roadways, etc.

For minor changes in roadway and sidewalks on plans to be approved by the Commissioners of the District of Columbia to facilitate vehicular and pedestrian traffic, \$5,000;

Curbs and gutters, shoulders, etc.

For construction of curbs and gutters, or concrete shoulders in connection with all forms of macadam roadways and adjustment of roadways thereto, together with resurfacing and replacing of base of such roadways where necessary, \$200,000;

Surfacing, etc., pavements.

For the surfacing and resurfacing or replacement of asphalt, granite block, or concrete pavements with the same or other approved material, \$450,000;

Bridges, construction, repair, etc.

For construction, maintenance, operation, and repair of bridges, \$50,000;

Street, etc., repairs.

For current work of repairs to streets, avenues, roads, and alleys, including the reconditioning of existing gravel streets and roads; for cleaning snow and ice from streets, sidewalks, cross walks, and gutters in the discretion of the Commissioners; and including the purchase, exchange, maintenance, and operation of non-passenger-carrying motor vehicles used in this work, \$850,000: *Provided,* That appropriations contained in this Act for highways, sewers, city refuse, and

*Provisos.*  
Snow removal.

the water department shall be available for snow removal when specifically and in writing ordered by the Commissioners: *Provided further*, That the Commissioners of the District of Columbia, should they deem such action to be to the advantage of the District of Columbia, are hereby authorized to purchase a municipal asphalt plant at a cost not to exceed \$30,000;

This appropriation shall be available for the construction and repair of pavements of street railways in accordance with the provisions of the Merger Act, approved January 14, 1933 (47 Stat. 752). The proportion of the amount thus expended which under the terms of the said Act is required to be paid by the street-railway company shall be collected, upon the neglect or the refusal of such street-railway company to pay, from the said street-railway company in the manner provided by section 5 of "An Act providing a permanent form of government for the District of Columbia", approved June 11, 1878, and shall be deposited to the credit of the appropriation for the fiscal year in which it is collected;

For the construction of a grade-separation structure at K Street Northwest and Rock Creek and Potomac Parkway, in accordance with plans and profile to be approved by the Commissioners of the District of Columbia, including the replacement of the bridge in the line of K Street over Rock Creek, the necessary construction, reconstruction, and changes of roadways, walkways, sidewalks, and curbing in the vicinity of the structures, relocation and reconstruction of any necessary parkway roads, walkways, and so forth, construction of and changes in water and sewer mains, fire-alarm and police-patrol boxes, street and traffic lights, travel expenses in connection with the inspection of material at the point of manufacture, employment of engineering or other professional services, by contract or otherwise, and without reference to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5) or the Classification Act of 1923, as amended, and engineering and incidental expenses, \$320,000;

For the construction of an underpass at Thomas Circle in the line of Massachusetts Avenue in accordance with plan and profile to be approved by the Commissioners of the District of Columbia, including necessary changes, construction, and reconstruction of roadways, sidewalks, and curbing, construction of and changes in sewer and water mains, street and traffic lights, fire-alarm and police-patrol boxes in the vicinity of the circle, construction of and such changes in walkways, landscaping, and so forth, of the Thomas Circle Park Reservation as may be approved by said Commissioners, travel expenses in connection with the inspection of material at the point of manufacture, employment of engineering and other professional services by contract or otherwise and without reference to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5) or the Classification Act of 1923, as amended, and engineering and incidental expenses, \$530,000;

For the construction of a bridge to replace the bridge in line of Pennsylvania Avenue over the Anacostia River in accordance with plans and profiles to be approved by the Commissioners of the District of Columbia, including construction of and changes in sewer and water mains, traveling expenses in connection with the inspection of material at the point of manufacture, employment of engineering and other professional services, by contract or otherwise, and without reference to section 3709 of the Revised Statutes (41 U. S. C. 5) or the Classification Act of 1923, as amended, and engineering and incidental expenses, \$620,000, and the Commissioners are authorized to

Purchase of asphalt plant authorized.

Street railways, pavements.

47 Stat. 752.

Proportion of expenses chargeable to railway company.

20 Stat. 105.

Grade-separation structure, construction.

Engineering, etc., services.  
R. S. § 3709.  
41 U. S. C. § 5.  
5 U. S. C. §§ 661-674; Supp. III, §§ 673, 673c.

Underpass at Thomas Circle.

R. S. § 3709.  
41 U. S. C. § 5.  
5 U. S. C. §§ 661-674; Supp. III, §§ 673, 673c.

Pennsylvania Avenue bridge, replacing present structure.

R. S. § 3709.  
41 U. S. C. § 5.  
5 U. S. C. §§ 661-674; Supp. III, §§ 673, 673c.

*Proviso.*  
Designated expenses  
to be borne by Penn-  
sylvania Railroad  
Company.

Additional culvert  
under Massachusetts  
Avenue Northwest.

R. S. § 3709.  
41 U. S. C. § 5.  
5 U. S. C. §§ 661-674;  
Supp. III, §§ 673, 673c.  
Contracts.

Opening streets, etc.,  
permanent highway  
system.

*Proviso.*  
Alley improve-  
ments, building lines,  
etc.

Assessment and per-  
mit work.

Disbursements, etc.

*Provisos.*  
Assessments under  
existing law.

Grade-crossing elim-  
ination projects.

49 Stat. 1521.

Minor changes in  
sidewalks and road-  
ways.

enter into contract or contracts for the completion of said bridge at a cost not to exceed \$2,000,000: *Provided*, That the expense of necessary personnel to handle railroad traffic during construction and the changes in power and conductor lines incident to construction of the bridge shall be borne by the Pennsylvania Railroad Company.

For the construction of an additional culvert under Massachusetts Avenue Northwest in the line of Rock Creek and Potomac Parkway in accordance with plans and profiles to be approved by the Commissioners of the District of Columbia, including necessary changes, construction and reconstruction of roadways, sidewalks, and curbing, and construction of and changes in sewer and water mains, fire alarm and police patrol boxes, and construction, reconstruction and relocation of parkway roads, walkways, and so forth as may be approved by said Commissioners, travel expenses in connection with the inspection of material at the point of manufacture, employment of engineering and other professional services by contract or otherwise and without reference to section 3709 of the Revised Statutes (41 U. S. C. 5) or the Classification Act of 1923, as amended, civil service requirements, and engineering and incidental expenses, \$125,000, and the Commissioners are authorized to enter into contract or contracts for the completion of said culvert at a cost not to exceed \$300,000.

To carry out the provisions of existing law which authorize the Commissioners of the District of Columbia to open, extend, straighten, or widen any street, avenue, road, or highway, in accordance with the plan of the permanent system of highways for the District of Columbia, including the procurement of chains of title, \$150,000, to remain available until June 30, 1940: *Provided*, That this appropriation shall be available to carry out the provision of existing law for the opening, extension, widening, or straightening of alleys and minor streets and for the establishment of building lines in the District of Columbia;

For assessment and permit work, paving of roadways under the permit system, and construction and repair of sidewalks and curbs around public reservations and municipal and United States buildings, including purchase or condemnation of streets, roads, and alleys, and of areas less than two hundred and fifty square feet at the intersection of streets, avenues, or roads in the District of Columbia, to be selected by the Commissioners, and including maintenance of non-passenger-carrying motor vehicles, \$150,000;

In all, \$4,621,600, to be immediately available, to be disbursed and accounted for as "Street improvements", and for that purpose shall constitute one fund: *Provided*, That assessments in accordance with existing law shall be made for paving and repaving roadways, alleys, and sidewalks where such roadways, alleys, and sidewalks are paved or repaved with funds herein appropriated: *Provided further*, That any portion of this appropriation may be used for payment to contractors and for other expenses in connection with the expense of design, construction, and inspection of grade-crossing elimination projects authorized under section 8 of the Act approved June 16, 1936 (49 Stat. 1521), pending reimbursement to the District of Columbia by the Department of Agriculture, reimbursement to be credited to fund from which payment was made.

The Commissioners of the District of Columbia are authorized and empowered, in their discretion, to fix or alter the respective widths of sidewalks and roadways (including tree spaces and parking) of all highways that may be improved under appropriations contained in this Act.

No part of any appropriation contained in this Act shall be available for repairing, resurfacing, or paving any street, avenue, or roadway by private contract unless the specifications for such work shall be so prepared as to permit of fair and open competition in paving material as well as in price.

Open competition for street improvement contracts.

In addition to the provision of existing law requiring contractors to keep new pavements in repair for a period of one year from the date of the completion of the work, the Commissioners of the District of Columbia shall further require that where repairs are necessary during the four years following the said one-year period, due to inferior work or defective materials, such repairs shall be made at the expense of the contractor, and the bond furnished by the contractor shall be liable for such expense.

Repairs for inferior work by contractors required for additional period.

No part of the appropriations contained in this Act shall be used for the operation of a testing laboratory of the highways department for making tests of materials in connection with any activity of the District government.

Use of funds for testing laboratory, etc., forbidden.

For personal services, trees, and parkings, \$26,600.

Trees and parkings.

For contingent expenses, trees and parkings, including laborers, trimmers, nurserymen, repairmen, teamsters, hire of carts, wagons, or motortrucks, trees, tree boxes, tree stakes, tree straps, tree labels, planting and care of trees, and tree spaces on city and suburban streets, purchase and maintenance of non-passenger-carrying motor vehicles, and miscellaneous items, \$100,000.

## WATER SERVICE

Water Service.

The following sums are appropriated wholly out of the revenues of the water department for expenses of the Washington aqueduct and its appurtenances and for expenses for water department, namely:

From water revenues.

### WASHINGTON AQUEDUCT

For operation, including salaries of all necessary employees, maintenance and repair of Washington aqueducts and their accessories, including Dalecarlia, Georgetown, McMillan Park, first and second High Service Reservoirs, Washington aqueduct tunnel, the filtration plants, the pumping plants, and the plant for the preliminary treatment of the water supply, ordinary repairs, grading, opening ditches, and other maintenance of Conduit Road, purchase, installation, and maintenance of water meters on Federal services; purchase, care, repair, and operation of vehicles, including the purchase and exchange of one passenger-carrying motor vehicle at a cost not to exceed \$650; purchase and repair of rubber boots and protective apparel; and for each and every purpose connected therewith, \$467,350.

Washington Aqueduct.

Maintenance, etc., of, and accessories.

Meters on Federal services.

For replacements of inadequate, worn-out, and obsolete chemical equipment, pump and screen housings of the Washington aqueduct, and for each and every purpose connected therewith, \$140,000.

Replacements, etc.

Nothing herein shall be construed as affecting the superintendence and control of the Secretary of War over the Washington aqueduct, its rights, appurtenances, and fixtures connected with the same and over appropriations and expenditures therefor as now provided by law.

Superintendence of Secretary of War not affected.

For revenue and inspection and distribution branches: For personal services, \$185,170.

Revenue and inspection and distribution branches.

For the maintenance of the water-department distribution system, including pumping stations and machinery, water mains, valves, fire and public hydrants, and all buildings and accessories, and motor-

Operating expenses.

trucks, and motor vehicles such as are now owned, and the replacement by purchase and exchange of the following motor-propelled vehicles: Twelve one and one-half ton trucks at not to exceed \$750 each; purchase of fuel, oils, waste, and other materials, and the employment of all labor necessary for the proper execution of this work; and for contingent expenses, including books, blanks, stationery, printing and binding not to exceed \$2,500; postage, purchase of technical reference books and periodicals not to exceed \$275, and other necessary items, \$7,500; in all for maintenance, \$367,700, of which not exceeding \$5,000 shall be available for operation of pumps at Bryant Street pumping station upon interruption of service from Dalecarlia pumping station.

Extension of distribution system.

For extension of the water-department distribution system, laying of such service mains as may be necessary under the assessment system, \$250,000.

Meters.

For installing and repairing water meters on services to private residences and business places as may not be required to install meters under existing regulations, as may be directed by the Commissioners; said meters at all times to remain the property of the District of Columbia, \$220,000.

Hydrants.

For installing fire and public hydrants, \$22,500.

Replacement of old mains, etc.

For replacement of old mains and divide valves in various locations, on account of inadequate size and bad condition of pipe on account of age, and laying mains in advance of pavements, \$135,000.

Reservoir, Soldiers' Home grounds, construction.

For the construction of a reservoir of approximately fifteen million gallons capacity on the grounds of the United States Soldiers' Home, District of Columbia, including necessary appurtenances and auxiliaries, and including not to exceed \$12,000 for the employment, by contract or otherwise, and without reference to section 3709 of the Revised Statutes (41 U. S. C. 5) or the Classification Act of 1923, as amended, of engineering and other professional services, \$400,000, to continue available until June 30, 1940.

R. S. § 3709.  
41 U. S. C. § 5.  
5 U. S. C. §§ 661-674;  
Supp. III, §§ 673, 673c.

Investment of water funds.

The Treasurer of the United States is authorized to invest in United States securities for the account of the water fund of the District of Columbia such funds as may be determined by the Commissioners to be available for that purpose during the fiscal year 1939, and such funds are appropriated for this purpose from the revenues of the Water Department.

Refund of erroneous charges.

For the refunding of water rents and other water charges erroneously paid in the District of Columbia, to be refunded in the manner prescribed by law for the refunding of erroneously paid taxes, \$3,500: *Provided*, That this appropriation shall be available for such refunds of payments made within the past two years.

*Proviso.*  
Availability.

Construction work, etc., under Commissioners.

SEC. 2. That the services of draftsmen, assistant engineers, levelers, transitmen, rodmen, chainmen, computers, copyists, overseers, and inspectors temporarily required in connection with sewer, water, street, street-cleaning, or road work, or construction and repair of buildings and bridges, or any general or special engineering or construction work authorized by appropriations may be employed exclusively to carry into effect said appropriations when specifically and in writing ordered by the Commissioners, and all such necessary expenditures for the proper execution of said work shall be paid from and equitably charged against the sums appropriated for said work; and the Commissioners in their Budget estimates shall report the number of such employees performing such services, and their work, and the sums paid to each, and out of what appropriation: *Provided*, That the expenditures hereunder shall not exceed \$42,000 during the fiscal year 1939: *Provided further*, That, excluding inspectors in the sewer department and one inspector in the electrical

*Provisos.*  
Limitation.  
Maximum period of employment.

department, no person shall be employed in pursuance of the authority contained in this paragraph for a longer period than nine months in the aggregate during the fiscal year.

Appropriations in this Act shall be available for payment by the District of Columbia of its contributions as an employer, in accordance with the provisions of the District of Columbia Unemployment Compensation Act (49 Stat. 946).

D. C. Unemployment Compensation Act, contribution.  
49 Stat. 946.

The Commissioners, or their duly designated representatives, are further authorized to employ temporarily such laborers, skilled laborers, drivers, hostlers, and mechanics as may be required exclusively in connection with sewer, water, street, and road work, and street cleaning, or the construction and repair of buildings, and bridges, furniture and equipments, and any general or special engineering or construction or repair work, and to incur all necessary engineering and other expenses, exclusive of personal services, incidental to carrying on such work and necessary for the proper execution thereof, said laborers, skilled laborers, drivers, hostlers, and mechanics to be employed to perform such work as may not be required by law to be done under contract, and to pay for such services and expenses from the appropriations under which such services are rendered and expenses incurred.

Temporary labor, etc.

SEC. 3. That all horses, harness, horse-drawn vehicles necessary for use in connection with construction and supervision of sewer, street, street lighting, road work, and street-cleaning work, including maintenance of said horses and harness, and maintenance and repair of said vehicles, and purchase of all necessary articles and supplies in connection therewith, or on construction and repair of buildings and bridges, or any general or special engineering or construction work authorized by appropriations, may be purchased, hired, and maintained, and motortrucks may be hired exclusively to carry into effect said appropriations, when specifically and in writing ordered by the Commissioners; and all such expenditures necessary for the proper execution of said work, exclusive of personal services, shall be paid from and equitably charged against the sums appropriated for said work; and the Commissioners in the Budget estimates shall report the number of horses, vehicles, and harness purchased, and horses and vehicles hired, and the sums paid for same, and out of what appropriation; and all horses owned or maintained by the District shall, so far as may be practicable, be provided for in stables owned or operated by said District: *Provided*, That such horses, horse-drawn vehicles, and carts as may be temporarily needed for hauling and excavating material in connection with works authorized by appropriations may be temporarily employed for such purposes under the conditions named in section 2 of this Act in relation to the employment of laborers, skilled laborers, and mechanics.

Horses, vehicles, etc.

*Proviso.*  
Temporary work, etc.

SEC. 4. That the Commissioners are authorized to employ in the execution of work, the cost of which is payable from the appropriation account created in the District of Columbia Appropriation Act, approved April 27, 1904, and known as the miscellaneous trust-fund deposits; District of Columbia, necessary personal services, horses, carts, and wagons, and to hire therefor motortrucks when specifically and in writing authorized by the Commissioners, and to incur all necessary expenses incidental to carrying on such work and necessary for the proper execution thereof, including the purchase, exchange, maintenance, and operation of motor vehicles for inspection and transportation purposes, such services and expenses to be paid from said appropriation account: *Provided*, That the Commissioners may delegate to their duly authorized representatives the employment under this section of laborers, mechanics, and artisans.

Miscellaneous trust-fund deposits.  
Expenses payable from.  
33 Stat. 368.

*Proviso.*  
Employment of labor.

Material, supplies,  
vehicles, etc.  
Purchase of.

Surplus articles;  
price basis.

Proviso.  
Transfers under  
Executive order.

Rental limitation.

Provisos.  
Prior leases.

Unexpended bal-  
ances to be covered  
in.

Pay increase by  
reallocation of posi-  
tion.

Provisos.  
Amount available.  
Approval.

Minor purchases.  
R. S. § 3709.  
41 U. S. C. § 5.

Congressional tags.

47 Stat. 750.

Credit allowed for  
designated disburse-  
ments.

Mechanical parking  
meters.  
Experimental in-  
stallation authorized.

SEC. 5. That the Commissioners and other responsible officials, in expending appropriations contained in this Act, so far as possible, shall purchase material, supplies, including food supplies and equipment, when needed and funds are available, in accordance with the regulations and schedules of the Procurement Division of the Treasury Department or from various services of the Government of the United States possessing materials, supplies, passenger-carrying and other motor vehicles, and equipment no longer required. Surplus articles purchased from the Government, if the same have not been used, shall be paid for at a reasonable price, not to exceed actual cost, and if the same have been used, at a reasonable price based upon length of usage. The various services of the Government of the United States are authorized to sell such surplus articles to the municipal government under the conditions specified, and the proceeds of such sales shall be covered into the Treasury as miscellaneous receipts: *Provided*, That this section shall not be construed to amend, alter, or repeal the Executive order of December 3, 1918, concerning the transfer of office materials, supplies, and equipment in the District of Columbia falling into disuse because of the cessation of war activities.

SEC. 6. No part of the funds appropriated in this Act shall be available for the payment of rental of quarters for any activity at a rate in excess of 90 per centum of the per annum rate paid by the District of Columbia for such quarters on June 30, 1933: *Provided*, That the provisions of this paragraph shall not apply to leases made prior to the passage of this Act, except when renewals thereof are made hereafter: *Provided further*, That the appropriations or portions of appropriations unexpended by reason of the operation of this paragraph shall not be used for any purpose, but shall be impounded and deposited in the Treasury to the credit of the District of Columbia.

SEC. 7. Appropriations contained in this Act shall be used to pay increases in the salaries of officers and employees by reason of the reallocation of the position of any officer or employee by the Civil Service Commission: *Provided*, That the total reallocation increases under such appropriations shall not exceed \$35,000: *Provided further*, That such reallocation increases shall be subject to the approval of the Commissioners of the District of Columbia.

SEC. 8. Section 3709 of the Revised Statutes of the United States shall not be construed to apply to any purchase made or service rendered under the appropriations contained in this Act when the aggregate amount does not exceed the sum of \$50.

SEC. 9. No part of this appropriation shall be available for any expense for or incident to the issuance of congressional tags except to those persons set out in the Act of December 19, 1932 (47 Stat. 750), including the Speaker and the Vice President.

SEC. 10. Credit is allowed in the accounts of the District of Columbia for disbursements made from the appropriation "Division of Child Welfare, District of Columbia, 1933", covered by audit Numbers 180442, 186060, 192920; and General Accounting Office Certificate Numbered G-73092-DC, dated October 11, 1937.

SEC. 11. The Commissioners of the District of Columbia are hereby authorized and empowered, in their discretion, to secure and to install experimentally, at no expense to the said District, mechanical parking meters or devices on the streets, avenues, roads, highways, and other public spaces in the District of Columbia under the jurisdiction and control of said Commissioners, such installations to be limited to a linear footage not to exceed the total of the perimeters of four

normally sized squares in such District; and said Commissioners are authorized and empowered to make and enforce rules and regulations for the control of the parking of vehicles on such streets, avenues, roads, highways, and other public spaces, and as an aid to such regulation and control of the parking of vehicles the Commissioners may prescribe fees for the privilege of parking vehicles where said meters or devices are installed.

The Commissioners are further authorized and empowered to pay the purchase price and cost of installation of the said meters or devices from the fees collected, which are hereby appropriated for such purpose, for the fiscal years 1938 and 1939, and thereafter such meters or devices shall become the property of said District, and all fees collected shall be paid to the collector of taxes for deposit in the Treasury of the United States to the credit of the revenues of said District.

Approved, April 4, 1938.

# [CHAPTER 63]

## AN ACT

To authorize the Secretary of the Interior to grant concessions on reservoir sites and other lands in connection with Federal Indian irrigation projects wholly or partly Indian, and to lease the lands in such reserves for agricultural, grazing, and other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior be, and he is hereby, authorized, in his discretion, to grant concessions on reservoir sites, reserves for canals or flowage areas, and other lands under his jurisdiction which have been withdrawn or otherwise acquired in connection with the San Carlos, Fort Hall, Flathead, and Duck Valley or Western Shoshone irrigation projects for the benefit in whole or in part of Indians, and to lease such lands for agricultural, grazing, or other purposes: Provided, That no lands so leased shall be eligible for benefit payments under the crop control program, or the soil conservation act: Provided further, That such concessions may be granted or lands leased by the Secretary of the Interior under such rules, regulations, and laws as govern his administration of the public domain as far as applicable, for such considerations, monetary or otherwise, and for such periods of time as he may deem proper, the term of no concession to exceed a period of ten years: Provided further, That the funds derived from such concessions or leases, except funds so derived from Indian tribal property withdrawn for irrigation purposes and for which the tribe has not been compensated, shall be available for expenditure in accordance with the existing laws in the operation and maintenance of the irrigation projects with which they are connected. Any funds derived from reserves for which the tribe has not been compensated shall be deposited to the credit of the proper tribe: Provided further, That where tribal lands of any Indian tribe organized under section 16 of the Act of June 18, 1934 (48 Stat. 984), have been withdrawn or reserved for the purposes hereinbefore mentioned, such lands may be leased or concessions may be granted thereon only by the proper tribal authorities, upon such conditions and subject to such limitations as may be set forth in the constitution and bylaws or charter of the respective tribes.*

Approved, April 4, 1938.

Rules, fees, etc., to be prescribed.

Purchase and installation.

Deposit of collections.

April 4, 1938

[S. 1945]

[Public, No. 459]

Indian irrigation projects.  
Concessions on reservoir sites and other lands, authorized.

Leases for agricultural, grazing, etc., purposes.  
*Providos.*  
Ineligibility for benefit payments.  
Conditions prescribed.

Term limitation.  
Maintenance, etc.

Use of funds from reserves for which tribe has not been compensated.

Tribal lands; lease restrictions.  
48 Stat. 987.  
25 U. S. C. § 470.



## [CHAPTER 64]

## AN ACT

April 4, 1938  
[H. R. 7266]  
[Public, No. 460]

Authorizing the State of Rhode Island, acting by and through the Jamestown Bridge Commission as an agency of the State, to construct, maintain, and operate a toll bridge across the west passage of Narragansett Bay between the towns of Jamestown and North Kingstown.

Narragansett Bay,  
west passage.  
Rhode Island may  
bridge, Jamestown to  
North Kingstown.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in order to promote interstate commerce, improve the postal service, and provide for military and other purposes, the State of Rhode Island, acting by and through the Jamestown Bridge Commission or the successors of said Commission, as an agency of the State, be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the west passage of Narragansett Bay, at a point suitable to the interests of navigation, between the towns of Jamestown and North Kingstown, in accordance with the provisions of the Act entitled "An Act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this Act.

34 Stat. 84.  
33 U. S. C. §§ 491-  
498.

Toll charges.

SEC. 2. The State of Rhode Island, acting by and through the Jamestown Bridge Commission or the successors of said Commission, as an agency of the State, is hereby authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the Act of March 23, 1906.

Application of tolls  
to maintenance, sink-  
ing fund, etc.

SEC. 3. In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient, with other funds available for the purpose, if any, to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of such bridge and its approaches, including reasonable interest and financing cost, as soon as possible, under reasonable charges, but within a period of not to exceed forty years from the completion thereof. In the event bridge-revenue bonds are issued to provide funds for the construction of such bridge, such tolls may be continued and adjusted at such rates as may be necessary to pay such bonds with interest thereon and any lawful premium for the retirement thereof before maturity, subject only to the power of the Secretary of War or other authorized Federal authority to regulate such rates.

Continuation, until  
retirement, if bonds  
are issued.

SEC. 4. After a sinking fund sufficient to amortize the cost of such bridge or sufficient to pay the principal and interest on bonds issued for the purpose of financing such bridge shall have been provided to the extent hereinbefore required, such bridge shall thereafter be maintained and operated free of tolls.

Maintenance as free  
bridge after amortiz-  
ing costs, etc.

SEC. 5. An accurate record of the cost of the bridge and its approaches; the expenditures for maintaining, repairing, and operating the same; and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

Record of expendi-  
tures and receipts.

SEC. 6. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Amendment.

Approved, April 4, 1938.

## [CHAPTER 65]

## AN ACT

Authorizing the State Highway Departments of North Dakota and Minnesota and the Boards of County Commissioners of Traill County, North Dakota, and Norman County, Minnesota, to construct, maintain, and operate a free highway bridge across the Red River of the North between Caledonia, North Dakota, and Shelly, Minnesota.

April 4, 1938  
[H. R. 8406]  
[Public, No. 461]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the State Highway Departments of North Dakota and Minnesota and the Boards of County Commissioners of Traill County, North Dakota, and Norman County, Minnesota, be, and are hereby, authorized to construct, maintain, and operate a free highway bridge and approaches thereto across the Red River of the North, at a point suitable to the interests of navigation, between Caledonia, North Dakota, and Shelly, Minnesota, in accordance with the provisions of the Act entitled "An Act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this Act.

Red River of the North.  
North Dakota and Minnesota, etc., may bridge, Caledonia, N. Dak., to Shelly, Minn.

SEC. 2. There is hereby conferred upon the State Highway Departments of North Dakota and Minnesota and the Boards of County Commissioners of Traill County, North Dakota, and Norman County, Minnesota, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

34 Stat. 84.  
33 U. S. C. §§ 491-498.

Acquisition of approaches, etc.

Proceedings.

SEC. 3. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Amendment.

Approved, April 4, 1938.

## [CHAPTER 66]

## AN ACT

To authorize the city of Vancouver, Washington, to construct and maintain a historical memorial on the Vancouver Barracks Military Reservation, Washington.

April 4, 1938  
[H. R. 8460]  
[Public, No. 462]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of War be, and he is hereby, authorized to issue a permit, under regulations to be prescribed by him, to the city of Vancouver, Washington, to construct and maintain on the Vancouver Barracks Military Reservation, Washington, as a historical memorial, a replica of the Old Hudson's Bay Trading Post, the location and plans to be approved by the Secretary of War, and all work incident to the construction, operation, and maintenance thereof to be without expense to the War Department: *Provided*, That the memorial shall be so enclosed as to preclude direct access to the military reservation therefrom: *Provided further*, That such permission shall be revoked whenever the ground is not used for a historical memorial or whenever it is not kept in good repair and operated under conditions worthy of its historical significance.

Vancouver Barracks Military Reservation, Wash.

Construction of historical memorial on, by Vancouver, authorized.

Approval of location and plans.

*Provisos.*  
No direct access to reservation.

Reversionary provision.

Approved, April 4, 1938.

## [CHAPTER 67]

## AN ACT

April 4, 1938

[H. R. 8524]

[Public, No. 463]

Authorizing the completion of the existing project for the protection of the sea wall at Galveston Harbor, Texas.

Galveston Harbor,  
Tex.  
Completion of project for protecting the sea wall, authorized.  
49 Stat. 1034.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of War is hereby authorized to complete the project, adopted in the River and Harbor Act approved August 30, 1935, for the construction of groins to protect the sea wall at Galveston Harbor, Texas, in accordance with the plans submitted in House Document Numbered 400, Seventy-third Congress.

Approved, April 4, 1938.

## [CHAPTER 68]

## AN ACT

April 4, 1938

[H. R. 8623]

[Public, No. 464]

Authorizing the State Highway Departments of North Dakota and Minnesota and the Boards of County Commissioners of Traill County, North Dakota, and Polk County, Minnesota, to construct, maintain, and operate a free highway bridge across the Red River of the North westerly of Nielsville, Minnesota.

Red River of the  
North.  
North Dakota and  
Minnesota may  
bridge, westerly of  
Nielsville, Minn.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the State Highway Departments of North Dakota and Minnesota and the Boards of County Commissioners of Traill County, North Dakota, and Polk County, Minnesota, be, and are hereby, authorized to construct, maintain, and operate a free highway bridge and approaches thereto across the Red River of the North, at a point suitable to the interests of navigation, westerly of Nielsville, Minnesota, in accordance with the provisions of the Act entitled "An Act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this Act.

34 Stat. 84.  
33 U. S. C. §§ 491-498.

Acquisition of approaches, etc.

SEC. 2. There is hereby conferred upon the State Highway Departments of North Dakota and Minnesota and the Boards of County Commissioners of Traill County, North Dakota, and Polk County, Minnesota, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

Proceedings.

Amendment.

SEC. 3. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, April 4, 1938.

## [CHAPTER 69]

## AN ACT

To amend section 35 of the Criminal Code, as amended (U. S. C., title 18, sec. 82), relating to purloining, stealing, or injuring property of the United States.

April 4, 1938  
[H. R. 8826]  
[Public, No. 465]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 35 of the Criminal Code of the United States, as amended (U. S. C., title 18, secs. 80, 82, 83, 84, 85, and 86), be, and the same is hereby, amended to read as follows:

Criminal Code  
amendments.  
18 U. S. C. §§ 80,  
82-86.

"SEC. 35. (A) Whoever shall make or cause to be made or present or cause to be presented, for payment or approval, to or by any person or officer in the civil, military, or naval service of the United States, or any department thereof, or any corporation in which the United States of America is a stockholder, any claim upon or against the Government of the United States, or any department or officer thereof, or any corporation in which the United States of America is a stockholder, knowing such claim to be false, fictitious, or fraudulent; or whoever shall knowingly and willfully falsify or conceal or cover up by any trick, scheme, or device a material fact, or make or cause to be made any false or fraudulent statements or representations, or make or use or cause to be made or used any false bill, receipt, voucher, roll, account, claim, certificate, affidavit, or deposition, knowing the same to contain any fraudulent or fictitious statement or entry in any matter within the jurisdiction of any department or agency of the United States or of any corporation in which the United States of America is a stockholder; or whoever shall enter into any agreement, combination, or conspiracy to defraud the Government of the United States, or any department or officer thereof, or any corporation in which the United States of America is a stockholder, by obtaining or aiding to obtain the payment or allowance of any false or fraudulent claim; and whoever, having charge, possession, custody, or control of any money or other public property used or to be used in the military or naval service, with intent to defraud the United States, or any department thereof, or any corporation in which the United States of America is a stockholder, or willfully to conceal such money or other property, shall deliver or cause to be delivered to any person having authority to receive the same any amount of such money or other property less than that for which he received a certificate or took a receipt; or whoever, being authorized to make or deliver any certificate, voucher, receipt, or other paper certifying the receipt of arms, ammunition, provisions, clothing, or other property so used or to be used, shall make or deliver the same to any other person without a full knowledge of the truth of the facts stated therein and with intent to defraud the United States, or any department thereof, or any corporation in which the United States of America is a stockholder, shall be fined not more than \$10,000 or imprisoned not more than ten years, or both.

Presenting false  
claims.

Concealing material  
fact.  
False statements or  
representations.

Conspiring to de-  
fraud the Govern-  
ment, etc.

Corporation in  
which U. S. a stock-  
holder.

Fraudulent re-  
ceipts, etc.

Penalty.

"(B) And whoever shall purchase, or receive in pledge, from any person any arms, equipment, ammunition, clothing, military stores, or other property furnished by the United States, under a clothing allowance or otherwise, to any soldier, sailor, officer, cadet, or midshipman in the military or naval service of the United States or of the National Guard or Naval Militia, or to any person accompanying, serving, or retained with the land or naval forces and subject to military or naval law, having knowledge or reason to believe

Unlawful purchase,  
etc., of public prop-  
erty.

that the property has been taken from the possession of the United States or furnished by the United States under such allowance, shall be fined not more than \$500 or imprisoned not more than two years, or both.

Theft; depredation  
against public prop-  
erty.

Property under con-  
tract for War or Navy  
Departments.

Penalty.

Value construed.

“(C) And whoever shall take and carry away or take for his use, or for the use of another, with intent to steal or purloin, or shall willfully injure or commit any depredation against, any property of the United States, or any branch or department thereof, or any corporation in which the United States of America is a stockholder, or any property which has been or is being made, manufactured, or constructed under contract for the War or Navy Departments of the United States, shall be punished as follows: If the value of such property exceeds the sum of \$50, by a fine of not more than \$10,000 or imprisonment for not more than ten years, or both; if the value of such property does not exceed the sum of \$50, by a fine of not more than \$1,000 or by imprisonment in a jail for not more than one year, or both. Value, as used in this section, shall mean market value or cost price, either wholesale or retail, whichever shall be the greater.”

Approved, April 4, 1938.

#### [CHAPTER 72]

#### AN ACT

April 5, 1938

[S. 711]

[Public, No. 466]

To amend an Act entitled “An Act to establish a Code of Law for the District of Columbia”, approved March 3, 1901, as amended, and particularly sections 863, 911, and 914 of the said code.

District of Colum-  
bia Code, amend-  
ments.  
Offenses against  
public policy.  
31 Stat. 1330.  
6 D. C. Code § 151.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Act entitled “An Act to establish a Code of Law for the District of Columbia”, approved March 3, 1901, and the Acts amendatory thereof and supplementary thereto, constituting a Code of Law for the District of Columbia, be, and the same hereby are, amended as follows:

Section 863 of such Act is hereby amended to read as follows:

Managing, etc.,  
policy lotteries, pol-  
icy shops, or lotteries.

Lottery chances;  
sale, transfer, etc.

Penalty.

Copy or record of  
such chance, etc.,  
prima facie evidence.

“SEC. 863. If any person shall within the District keep, set up, or promote, or be concerned as owner, agent, or clerk, or in any other manner, in managing, carrying on, promoting, or advertising, directly or indirectly, any policy lottery, policy shop, or any lottery, or shall sell or transfer any chance, right, or interest, tangible or intangible, in any policy lottery, or any lottery or shall sell or transfer any ticket, certificate, bill, token, or other device, purporting or intended to guarantee or assure to any person or entitle him to a chance of drawing or obtaining a prize, to be drawn in any lottery, or in a game or device commonly known as policy lottery or policy or shall, for himself or another person, sell or transfer, or have in his possession for the purpose of sale or transfer, a chance or ticket in or share of a ticket in any lottery or any such bill, certificate, token, or other device, he shall be fined upon conviction of each said offense not more than \$1,000 or be imprisoned not more than three years, or both. The possession of any copy or record of any such chance, right, or interest, or of any such ticket, certificate, bill, token, or other device shall be prima-facie evidence that the possessor of such copy or record did, at the time and place of such possession, keep, set up, or promote, or was at such time and place concerned as owner, agent, or clerk, or otherwise in managing, carrying on, promoting, or advertising a policy lottery, policy shop, or lottery.”

SEC. 2. There is hereby added to said Act a new section to be known as section 863 (a), to read as follows:

"SEC. 863. (a) If any person shall within the District have in his possession, knowingly, any ticket, certificate, bill, slip, token, paper, writing, or other device used, or to be used, or adapted, devised, or designed for the purpose of playing, carrying on, or conducting any lottery, or the game or device commonly known as policy lottery or policy, he shall be fined upon conviction of each said offense not more than \$500 or be imprisoned for not more than six months, or both."

SEC. 3. Section 911 of such Act is hereby amended to read as follows:

"SEC. 911. Upon complaint, under oath, before the police court, or a United States commissioner, setting forth that the affiant believes and has good cause to believe that there are concealed in any house or place articles stolen, taken by robbers, embezzled, or obtained by false pretenses, forged or counterfeited coins, stamps, labels, bank bills, or other instruments, or dies, plates, stamps, or brands for making the same, books or printed papers, drawings, engravings, photographs, or pictures of an indecent or obscene character, or instruments for immoral use, or any gaming table, device, or apparatus kept for the purpose of unlawful gaming, or any lottery tickets or lottery policies, or any book, paper, memorandum, or device for or used in recording any bet or deposit of money or thing or consideration of value received for any share, ticket, certificate, writing, bill, slip, or token in any pool or lottery or as a wager on or in connection with any race, game, contest, election, or other gambling transaction or device of an unlawful nature as defined in sections 863, 864, 865, 866, 868, and 869, of the Act of March 3, 1901, as amended and supplemented, particularly describing the house or place to be searched, the things to be seized, substantially alleging the offense in relation thereto, and describing the person to be seized, the said court or United States commissioner may issue a warrant either to the marshal or any officer of the Metropolitan Police commanding him to search such house or place for the property or other things, and, if found, to bring the same, together with the person to be seized, before the police court or United States commissioner issuing said warrant, as the case may be.

"The said warrant shall have annexed to it, or inserted therein, a copy of the affidavit upon which it is issued, and may be substantially in the form following:

"Whereas there has been filed before ——— an affidavit, of which the following is a copy [here insert]. These are therefore to command you to enter [here describe the place] and there diligently search for the said articles, goods, or chattels in the said affidavit described, and that you bring the same, or any part thereof, found on said search and also the body of ——— before the police court, or United States commissioner, as the case may be, to be dealt with and disposed of according to law."

SEC. 4. Section 914 of such Act is hereby amended by adding a new paragraph thereto, the same to read as follows:

"If the property seized be articles, games, devices, or contrivances maintained, kept, set up, or used in violation of sections 863, 863 (a), 864, 865, 866, 867, 868, or 869 of this code, they may be ordered destroyed, under direction of court, irrespective of any trial or the outcome thereof."

SEC. 5. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of the Act, and the application of such provisions to other persons or circumstances, shall not be affected thereby.

Approved, April 5, 1938.

Possession of lottery ticket, slip, etc.

Penalty.

31 Stat. 1337.  
6 D. C. Code § 357.

Searches.

Stolen, etc., articles.  
Counterfeits, forgeries, etc.

Unlawful gaming devices, etc.

Books for recording bets, etc.

31 Stat. 1330, 1331.  
6 D. C. Code §§ 151-154, 156, 157.  
Description of place to be searched, things and person to be seized.

Warrant.

Affidavit to be annexed.

Form.

31 Stat. 1338.

Disposition of seized property.

Saving clause.

## [CHAPTER 73]

## AN ACT

April 5, 1938  
[H. R. 4201]  
[Public, No. 467]

To create a board of inspectors, Bureau of Marine Inspection and Navigation, at Port Arthur, Texas.

Bureau of Marine  
Inspection and Navi-  
gation.  
Board of inspectors  
at Port Arthur, Tex.,  
created.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That a board of inspectors, Bureau of Marine Inspection and Navigation, consisting of a local inspector of hulls and a local inspector of boilers, be, and is hereby, created at the port of Port Arthur, Texas. Such inspector of hulls and inspector of boilers shall each be entitled, in addition to his authorized pay and traveling expenses, to his actual and reasonable expenses for transportation of instruments which shall be certified and sworn to under such instructions as shall be given by the Secretary of Commerce.

Approved, April 5, 1938.

## [CHAPTER 74]

## JOINT RESOLUTION

April 5, 1938  
[H. J. Res. 504]  
[Pub. Res., No. 84]

To authorize compacts or agreements between the States bordering on the Great Lakes with respect to fishing in the waters of the Great Lakes, and for other purposes.

Great Lakes.  
Compacts author-  
ized between States  
bordering on, for uni-  
form regulation of  
fishing in waters of.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the consent of Congress is hereby given to any two or more of the States of New York, Pennsylvania, Ohio, Indiana, Illinois, Michigan, Wisconsin, and Minnesota to enter into compacts or agreements for the uniform regulation of fishing in the waters of the Great Lakes and connecting waters thereof on which such States border and to which their jurisdiction otherwise extends, and to establish such agencies, joint or otherwise, as they may deem desirable for making effective such compacts and agreements.

Establishment of  
agencies.

Approval required.

SEC. 2. Any such compact or agreement shall not be binding or obligatory upon the signatory States unless it has been approved by the legislatures of such States and by the Congress of the United States.

Amendment, etc.

SEC. 3. The right to alter, amend, or repeal this resolution is hereby expressly reserved.

Approved, April 5, 1938.

## [CHAPTER 79]

## AN ACT

April 6, 1938  
[H. R. 1547]  
[Public, No. 468]

To amend section 42 of the Act of Congress entitled "An Act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended.

Employees' Com-  
pensation Act, amend-  
ment.  
39 Stat. 750.  
5 U. S. C. § 793.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 42 of the Act of Congress entitled "An Act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes, approved September 7, 1916, as amended, be, and the same hereby is, amended to read as follows:

Panama Canal and  
Panama Railroad  
Company.  
Transfer of admin-  
istration to Governor  
of Panama Canal.  
Alaska Railroad;  
transfer to general  
manager.  
Terms defined.

"SEC. 42. That the President may, from time to time, transfer the administration of this Act so far as employees of the Panama Canal and of the Panama Railroad Company are concerned to the Governor of the Panama Canal, and so far as employees of the Alaska Railroad are concerned to the general manager of the Alaska Railroad, in which cases the words 'Commission' and 'its' wherever they appear in this Act shall, so far as necessary to give effect to such transfer, be read, 'Governor of the Panama Canal' or 'the general

manager of the Alaska Railroad', as the case may be, and 'his'; and the expenses of medical examinations under sections 21 and 22, and the reasonable traveling and other expenses and loss of wages payable to employees under section 21, shall be paid out of appropriations for the Panama Canal or for the Alaska Railroad or out of funds of the Panama Railroad, as the case may be, instead of out of appropriations for the work of the Commission.

"In the case of compensation to employees of the Panama Canal or of the Panama Railroad Company for temporary disability, either total or partial, the President may authorize the Governor of the Panama Canal to waive, at his discretion, the making of the claim required by section 18. In the case of alien employees of the Panama Canal or of the Panama Railroad Company, or of any class or classes of them, the President may remove or modify the minimum limit established by section 6 on the monthly compensation for disability and the minimum limit established by clause (K) of section 10 on the monthly pay on which death compensation is to be computed. The President may authorize the Governor of the Panama Canal and the general manager of the Alaska Railroad to pay the compensation provided by this Act, including the medical, surgical, and hospital services and supplies provided by section 9 and the transportation and burial expenses provided by sections 9 and 11, out of the appropriations for the Panama Canal and for the Alaska Railroad, such appropriations to be reimbursed for such payments by the transfer of funds from the employees' compensation fund.

"The transfer by the President of the administration of this Act so far as the employees of the Alaska Railroad are concerned to the general manager of the Alaska Railroad shall not divest the United States Employees' Compensation Commission of jurisdiction hereunder, and any claimant shall have the right of appeal from the decision of the general manager of the Alaska Railroad to the United States Employees' Compensation Commission, and the Commission shall, upon such appeal, and may at any time, on its own motion, review the decision of the general manager of the Alaska Railroad, and in accordance with the facts found on such review, may proceed as provided in section 37 hereof. The United States Employees' Compensation Commission shall provide the form and manner of taking such appeals."

Approved, April 6, 1938.

Medical examinations, expenses.  
39 Stat. 747.  
5 U. S. C. §§ 771, 772.

Disability claims.

Filing waived.

Alien employees; minimum limit, monthly compensation.

Compensation, including medical, etc., assistance.

Transportation and burial expenses.

Reimbursement.

Jurisdiction not divested by reason of transfer.

Right of appeal.

Review.

Form and manner to be provided.

## [CHAPTER 86]

### AN ACT

Authorizing the Secretary of the Treasury to exchange sites at Miami Beach, Dade County, Florida, for Coast Guard purposes.

April 6, 1938

[H. R. 8236]

[Public, No. 469]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of the Treasury is hereby authorized to exchange the existing Coast Guard site located at Miami Beach, Dade County, Florida, commonly known as the House of Refuge property, for any other site located at Miami Beach, Dade County, Florida, which is determined by a board of Coast Guard officers, appointed by the Commandant, to be an adequate consideration for such exchange and suitable for Coast Guard purposes, subject to the approval of the Secretary: *Provided*, That the title to any land acquired in this manner by the Government shall be subject to the approval of the Attorney General: *And provided further*, That any conveyance by the Government under this Act shall be by a quitclaim deed.

Approved, April 6, 1938.

Miami Beach, Fla.  
Exchange of sites for  
Coast Guard purposes  
authorized.

*Provided*.  
Approval of title.

Conveyance by  
quitclaim deed.



## [CHAPTER 107]

## AN ACT

To amend the Agricultural Adjustment Act of 1938, and for other purposes.

April 7, 1938  
[H. R. 9915]  
[Public, No. 470]

Agricultural Ad-  
justment Act of 1938,  
amendments.  
*Ante*, p. 36.  
Farming operations  
in 1938, payments  
based on soil-deplet-  
ing crops.

Definitions; textual  
modifications.  
*Ante*, p. 41.  
Normal yield for  
county, as to corn.

Wheat or cotton.  
*Ante*, p. 41.

*Ante*, p. 42.

"Normal yield" for  
any farm in the case of  
designated commodi-  
ties.

Basis of apportion-  
ment of national mar-  
keting quotas.  
*Ante*, p. 47.  
*Ante*, p. 48.

Flue-cured tobacco.  
*Post*, p. 536.

Acreage allotment,  
corn.  
*Ante*, p. 52.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 105 of the Agricultural Adjustment Act of 1938 is amended by inserting after the first sentence the following: "Notwithstanding such amendments, payments with respect to farming operations carried out in the calendar year 1938 and based upon any soil-depleting crop for which special acreage allotments are established shall be made at not less than 90 per centum of the rates announced by the Secretary prior to the enactment of this Act."

SEC. 2. Section 301 (b) (13) (A) of the Agricultural Adjustment Act of 1938 is hereby amended by striking out the word "farm" in the expressions "for any farm" and "for the farm", respectively, and inserting in lieu thereof "county".

SEC. 3. Section 301 (b) (13) (B) of the Agricultural Adjustment Act of 1938 is hereby amended by striking out the word "farm" in the expressions "for any farm" and "for the farm", respectively, and inserting in lieu thereof "county".

SEC. 4. Section 301 (b) (13) of the Agricultural Adjustment Act of 1938 is hereby amended by adding the following new subparagraph:

"(E) 'Normal yield' for any farm, in the case of corn, wheat, or cotton, shall be the average yield per acre of corn, wheat, or cotton, as the case may be, for the farm, adjusted for abnormal weather conditions and, in the case of corn and wheat, but not in the case of cotton, for trends in yields, during the ten calendar years in the case of corn and wheat, and five calendar years in the case of cotton, immediately preceding the year with respect to which such normal yield is used in any computation authorized under this title. If for any such year the data are not available or there is no actual yield, then the normal yield for the farm shall be appraised in accordance with regulations of the Secretary, taking into consideration abnormal weather conditions, the normal yield for the county, and the yield in years for which data are available."

SEC. 5. (a) Section 313 (a) of the Agricultural Adjustment Act of 1938 is amended by striking out the word "net".

(b) Section 313 of the Agricultural Adjustment Act of 1938 is amended by adding at the end thereof the following:

"(e) In case of flue-cured tobacco, the national quota for 1938 is increased by a number of pounds required to provide for each State in addition to the State poundage allotment a poundage not in excess of 2 per centum of the allotment which shall be apportioned in amounts which the Secretary determines to be fair and reasonable to farms in the State receiving allotments under the Agricultural Adjustment Act of 1938 which the Secretary determines are inadequate in view of past production of tobacco, and for each year by a number of pounds sufficient to assure that any State receiving a State poundage allotment of flue-cured tobacco shall receive a minimum State poundage allotment of flue-cured tobacco equal to the average national yield for the preceding five years of five hundred acres of such tobacco."

SEC. 6. Section 328 of the Agricultural Adjustment Act of 1938 is amended by inserting after the words "during the ten calendar years immediately preceding such calendar year" a comma and the following: "adjusted for abnormal weather conditions and trends in yield,".

SEC. 7. Section 334 (b) of the Agricultural Adjustment Act of 1938 is amended by striking out the word "net".

SEC. 8. Section 343 (c) of the Agricultural Adjustment Act of 1938 is amended by striking out "for 1938 and for 1939" and inserting in lieu thereof "for any year".

SEC. 9. (a) The second sentence of section 344 (b) of the Agricultural Adjustment Act of 1938 is amended to read as follows: "Such number of acres plus the number of acres allotted to the State pursuant to subsection (e) (2) is referred to as the 'State acreage allotment'."

(b) Section 344 (d) (3) of the Agricultural Adjustment Act of 1938 is amended by inserting after "excluding from such acreage the acres devoted to the production of" the following: "sugarcane for sugar,"; and by inserting after "rice for market or" the following: "wheat or rice".

(c) Section 344 (e) of the Agricultural Adjustment Act of 1938 is amended by inserting after "(e)" at the beginning of such subsection "(1)", and by adding at the end thereof the following:

"(2) The Secretary shall allot to each State to which an allotment is made under subsection (b), and in which at least three thousand five hundred bales were produced in any of the five years immediately preceding the year for which the allotment is made, a number of acres sufficient to provide a total State acreage allotment for such State of not less than five thousand acres."

(d) Section 344 of the Agricultural Adjustment Act of 1938 is amended by inserting at the end thereof the following:

"(g) For each of the years 1938 and 1939 an acreage equal to 4 per centum of the State acreage allotment shall be apportioned by the Secretary, to counties and farms in the State receiving allotments under this Part, in the following manner:

"(1) An amount of the additional allotment provided for in this subsection sufficient to allot to each farm the acreage allotments provided for in subparagraphs (A) and (B) of paragraph (1) of subsection (d) of this section shall be used for making such acreage allotments as therein provided.

"(2) In counties in which the allotment is not sufficient to provide adequate and representative allotments to other farms in the county as a result of the allotments required by section 344 (d) (1) (A) and (B), an additional acreage shall be allotted to such farms to make the allotment to each of such farms as nearly equal to the allotment which would have been made to such farms in the absence of the provisions of (A) and (B) of subsection 344 (d) (1) as the remainder of the 4 per centum will permit.

"(3) After making the allotments provided for in paragraphs (1) and (2) of this subsection the remainder of the 4 per centum may be apportioned in amounts determined by the Secretary to be fair and reasonable to farms or counties receiving allotments which the Secretary determines are inadequate and not representative in view of past production of cotton on the farm or in the county.

"(h) Notwithstanding any other provisions of this section, the cotton acreage allotment for any farm for each of the years 1938 and 1939, after making the allotments provided in subsection (g), shall be increased by such amount as may be necessary to provide an allotment of not less than 50 per centum of the sum of the acreage planted in cotton in 1937 and the acreage diverted from cotton production in 1937 under the agricultural conservation program, as determined for

State acreage allotment, wheat.  
*Ante*, p. 54.

Amount of national allotments, cotton.  
*Ante*, p. 57.

"State acreage allotment", cotton.  
*Ante*, p. 57.

Lands excluded from tilled acreage, commodities added.  
*Ante*, p. 58.

*Ante*, p. 58.

Cotton; State allotments.

*Ante*, p. 58.

County and farm acreage allotment.

Basis.

Increased allotment for 1938 and 1939.  
*Post*, p. 586.

*Proviso.*  
*Limitation.*

Acreage to be additional to State acreage allotment, etc.

*Ante*, p. 60.

Statement respecting acreage planted.

*Ante*, p. 57.

Penalties.  
*Ante*, p. 65.

Refund of penalties erroneously collected.

Regulations to be prescribed.

Commodities grown for experimental purposes.

Cotton price adjustment payments.  
*Ante*, p. 66.

Crop failure; crops destroyed, after harvesting, by fire, etc.

Cotton pool participation trust certificates, textual changes.  
*Ante*, p. 70.

*Ante*, p. 71.

Assignee, payment.  
*Ante*, p. 71.

Wheat or corn, normal yield for any county.  
*Ante*, p. 33.

each farm in accordance with regulations prescribed by the Secretary: *Provided*, That this subsection shall not operate to raise the cotton acreage of any farm above 40 per centum of the acreage on such farm which is tilled annually or in regular rotation, as determined under regulations prescribed by the Secretary.

"(i) The acreage required for apportionment under subsection (g) and (h) shall be in addition to the State acreage allotment, and the production of such acreage shall be in addition to the national allotment."

SEC. 10. Section 349 (b) of the Agricultural Adjustment Act of 1938 is amended to read as follows:

"(b) All persons applying for any payment of money under the Soil Conservation and Domestic Allotment Act, as amended, with respect to any farm located in a county in which cotton has been planted during the year for which such payment is offered, shall file with the application a statement that the applicant has not knowingly planted, during the current year, cotton on land on his farm in excess of the acreage allotted to the farm under section 344 for such year."

SEC. 11. Section 372 of the Agricultural Adjustment Act of 1938 is amended by adding at the end thereof the following:

"(c) Whenever, pursuant to a claim filed with the Secretary within one year after payment to him of any penalty collected from any person pursuant to this Act, the Secretary finds that such penalty was erroneously, illegally, or wrongfully collected, the Secretary shall certify to the Secretary of the Treasury for payment to the claimant, in accordance with regulations prescribed by the Secretary of the Treasury, such amount as the Secretary finds the claimant is entitled to receive as a refund of such penalty.

"The Secretary is authorized to prescribe regulations governing the filing of such claims and the determination of such refunds.

"(d) No penalty shall be collected under this Act with respect to the marketing of any agricultural commodity grown for experimental purposes only by any publicly owned agricultural experiment station."

SEC. 12. The fourth sentence of section 381 (a) of such Act is amended to read as follows: "In cases where in 1937 a total or partial crop failure resulted from hail, drought, flood, or boll-weevil infestation, or where any part of a producer's 1937 cotton crop was destroyed after the harvesting thereof by fire or other unavoidable natural cause, if the producer is otherwise eligible for payment, payment shall be made at the same rate per pound on the same percentage of the producer's normal base production established by the Secretary as in the case of other producers."

SEC. 13. Section 403 of the Agricultural Adjustment Act of 1938 is amended by striking out the date "May 1, 1937" and inserting in lieu thereof the following: "or before May 1, 1938".

SEC. 14. Section 404 of the Agricultural Adjustment Act of 1938 is amended by striking out the date "May 1937" and inserting in lieu thereof the date "May 1938".

SEC. 15. Section 407 of the Agricultural Adjustment Act of 1938 is amended by striking out "on or before" wherever it occurs in such section and inserting in lieu thereof the following: "subsequent to".

SEC. 16. Subparagraph (5) of section 8 (c) of the Soil Conservation and Domestic Allotment Act, as amended by section 101 of the Agricultural Adjustment Act of 1938, is hereby amended by striking out the words "on any farm" in the first sentence and inserting in lieu thereof "for any county"; and by striking out the word "thereon" in the first sentence and inserting in lieu thereof "therein".

SEC. 17. Section 8 (c) of the Soil Conservation and Domestic Allotment Act, as amended by section 101 of the Agricultural Adjustment Act of 1938, is hereby amended by adding the following new subparagraph:

"(6) In determining normal yield per acre for any farm under this section in the case of wheat or corn, the normal yield shall be the average yield per acre thereon for such commodity during the ten calendar years immediately preceding the calendar year in which such yield is determined, adjusted for abnormal weather conditions and trends in yields. If for any such year the data are not available, or there is no actual yield, then the normal yield for the farm shall be appraised in accordance with regulations of the Secretary, taking into consideration abnormal weather conditions, the normal yield for the county, and the yield in years for which data are available."

Wheat or corn, determining normal yield for any farm.  
*Ante*, p. 33.

SEC. 18. Section 8 (g) of the Soil Conservation and Domestic Allotment Act, as amended, is amended by striking out the second and third sentences and inserting in lieu thereof the following: "Such assignment shall be signed by the farmer and witnessed by a member of the county or other local committee, or by the treasurer or the secretary of such committee, and filed with the county agent or the county committee. Such assignment shall include the statement that the assignment is not made to pay or secure any preexisting indebtedness."

Assignment of payment.  
*Ante*, p. 35.

SEC. 19. The proclamations heretofore issued by the Secretary of Agriculture under sections 312 (a), 327, 328, and 345 of the Agricultural Adjustment Act of 1938 shall be effective as provided in said sections, and no provision of any amendment made by this Act shall be construed as requiring any further action under section 312 (c) or 347 of the Agricultural Adjustment Act of 1938 with respect to marketing years beginning in 1938.

Proclamations by Secretary of Agriculture under designated sections, when effective.  
*Ante*, pp. 46, 51, 52, 58.  
*Ante*, pp. 46, 59.

Approved, April 7, 1938.

#### [CHAPTER 108]

##### AN ACT

To amend the Commodity Exchange Act, as amended, to extend its provisions to wool tops.

April 7, 1938  
[S. 3106]  
[Public, No. 471]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the third sentence of section 2 of the Commodity Exchange Act, as amended (U. S. C., 1934 edition, Supp. II, title 7, sec. 2), is amended to read as follows: "The word 'commodity' shall mean wheat, cotton, rice, corn, oats, barley, rye, flaxseed, grain sorghums, mill feeds, butter, eggs, *Solanum tuberosum* (Irish potatoes), and wool tops."

Commodity Exchange Act, amendment.  
Provisions of, extended to wool tops.  
49 Stat. 1491.  
7 U. S. C., Supp. III, § 2.

Approved, April 7, 1938.

#### [CHAPTER 109]

##### AN ACT

Authorizing the State of Maryland, by and through its State Roads Commission or the successors of said commission, to construct, maintain, and operate certain bridges across streams, rivers, and navigable waters which are wholly or partly within the State.

April 7, 1938  
[H. R. 8714]  
[Public, No. 472]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That in order to promote interstate commerce, improve the postal service, and provide for military and other purposes, the State of Maryland by and through its State Roads Commission or the successors of said commission be,

State of Maryland. Bridge or tunnel construction, etc.

and is hereby, authorized to construct, maintain, and operate any or all of the following bridges and approaches thereto, at points suitable to the interests of navigation, in accordance with the provisions of the Act entitled "An Act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this Act, to wit:

34 Stat. 84.  
33 U. S. C. §§ 491-498.

Potomac River, between Ludlows Ferry and a point opposite in Virginia.

Chesapeake Bay, between Millers Island and Tolchester; alternate thereto.

Susquehanna River, between Perryville and Havre de Grace.

Patapsco River, North West Branch to Fairfield.

Approval of plans, etc.

Time limitation.

Terms construed.

Authority to construct, etc., not exclusive.

Acquisition of approaches, etc.

Toll charges.

34 Stat. 85.  
33 U. S. C. § 494.

A bridge across the Potomac River from a point in Charles County at or near Ludlows Ferry to a point approximately opposite in the State of Virginia near Dahlgren and Colonial Beach.

A bridge across the Chesapeake Bay from a point in Baltimore County at or near Millers Island to a point approximately opposite in Kent County at or near Tolchester; or, as an alternate thereto, a bridge across the Chesapeake Bay or a tunnel under or a combined bridge and tunnel from a point in Anne Arundel County at or near Annapolis to a point approximately opposite on Kent Island.

A bridge across the Susquehanna River from a point in Cecil County at or near Perryville to a point approximately opposite in Harford County at or near Havre de Grace.

A bridge across or a tunnel under the Patapsco River south of the City of Baltimore from a point at or near the mouth of North West Branch to a point approximately opposite at or near Fairfield.

The construction of any tunnel, or combined bridge and tunnel, authorized by this Act shall not be built or commenced until the plans and specifications for its construction, together with such drawings of the proposed construction and such map of the proposed location as may be required for a full understanding of the subject, have been submitted to the Secretary of War and Chief of Engineers for their approval, nor until they shall have approved such plans and specifications and the location of such tunnel and accessory works.

The times for commencing and completing the construction of any of the structures authorized by this section, shall expire three and five years, respectively, from the date of approval hereof.

The word "bridge" or "bridges" as hereinafter used in this Act shall be deemed to include and to apply to the tunnel or the combined bridge and tunnel at or near Annapolis or to the tunnel under the Patapsco River or to both.

The authority herein granted to construct, maintain, and operate any of the foregoing bridges shall not be deemed to be exclusive or to repeal the authority heretofore granted to any other corporation, public board, or agency to construct a bridge at the same location.

SEC. 2. There is hereby conferred upon the State of Maryland and its State Roads Commission or the successors of said commission all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, maintenance, and operation of any or all such bridges and their approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in condemnation or expropriation of property for public purposes in such State.

SEC. 3. The State of Maryland, by and through its State Roads Commission or the successors of said commission is hereby authorized to fix and charge tolls for transit over any or all such bridges and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the Act of March 23, 1906.

SEC. 4. The State of Maryland, by and through its State Roads Commission or the successors of said commission, may unite or group all or such of said bridges into one or more separate projects for financing purposes as in its judgment shall be deemed practicable. If tolls are charged for the use of a bridge or bridges in a project, the rates of toll to be charged for the use of such bridge or bridges embraced in the particular project shall be so adjusted as to provide a fund not to exceed an amount sufficient to pay the reasonable costs of maintaining, repairing, and operating the bridge or all of the bridges included in the particular project and their approaches under economical management, and not to exceed an amount sufficient in addition to the foregoing, to provide a sinking fund sufficient to amortize the aggregate cost of the bridge or all of the bridges embraced in the particular project, and their approaches, including reasonable interest and financing costs, as soon as possible under reasonable charges, but within a period not exceeding forty years from the completion of such bridge or from the date of completion of the last completed bridge in the particular project. The tolls derived from the bridge or bridges embraced in any particular project may be continued and paid into the appropriate sinking fund until all such costs of the bridge or bridges embraced in the particular project shall have been amortized. In any event, tolls may be charged on the basis aforesaid for transit over the bridge or bridges in each project for which revenue bonds of said State are issued, and such tolls may be continued and adjusted at such rates as may be necessary to pay such bonds with interest thereon and any lawful premium for the retirement thereof before maturity, subject only to the power of the Secretary of War or other authorized Federal authority to regulate such rates.

SEC. 5. The failure of the State of Maryland, by and through its State Roads Commission, to construct, maintain, and operate any one or more of the foregoing bridges, or to unite or group any two or more for financing purposes, shall in no wise affect its authority or powers hereby granted to construct, maintain, and operate such bridge or bridges as it may deem expedient, and any one of the bridges herein authorized may be constructed, maintained, and operated as a single project without uniting such bridge in a joint project with other bridges authorized herein.

SEC. 6. After a sinking fund sufficient to amortize the cost of any bridge or bridges in any particular project or group or sufficient to pay the principal and interest on bonds issued for the purpose of financing such particular bridge or bridges or project or group shall have been provided to the extent hereinbefore required, the bridge or bridges included in any such project or group shall thereafter be maintained and operated free of tolls: *Provided, however*, That tolls for the use of any such bridge or bridges may be continued thereafter in the event that such tolls shall have been pledged by the State Roads Commission to the payment of revenue bonds issued for any other bridge or bridges the construction of which is authorized herein. An accurate record of the cost of each bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 7. The powers conferred by this Act are supplementary and additional to all other authority and powers heretofore granted by law for the construction of the hereinbefore-named bridges, but all Acts or parts of Acts heretofore enacted, authorizing the construction of the hereinbefore-named bridges (except as applied to any bridge over the Potomac River) which are in conflict with the terms of this

Grouping of projects for financing purposes.

Application of tolls to operation, sinking fund, etc.

Continuance until costs amortized.

Adjustment of rates to pay bonds, etc.

Separability provisions.

Maintenance as free bridge, etc., after amortizing costs.

*Proviso.*  
Continuance of tolls if pledged to payment of bonds.

Record of expenditures and receipts.

Nature of powers conferred.

Repeal of conflicting Acts, etc.

Toll charge restriction.

Liquidation provisions.  
Payment of cost and bonds by State authorized.

Amendment, etc.

Act be, and the same are, hereby repealed insofar as such conflict exists. Nothing in this Act shall be construed as authorizing tolls to be charged for the use of any one or more of the hereinbefore-named bridges except as hereinabove provided, and nothing herein shall be construed so as to prohibit the State of Maryland from paying all or any part of the costs of the construction of any one or more of such bridges or their approaches, and any and all bonds issued for such purposes, from any funds of the State which may now or hereafter be made available for that purpose.

SEC. 8. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, April 7, 1938.

#### [CHAPTER 110]

#### AN ACT

April 7, 1938  
[H. R. 8982]

[Public, No. 473]

To amend Public Law Numbered 282, Seventy-fifth Congress, relative to the fisheries of Alaska.

Alaska fisheries.

50 Stat. 639.  
48 U. S. C., Supp.  
III, § 222a.  
43 Stat. 464.  
48 U. S. C. § 222.

Bristol Bay.  
Residence and citizenship requirements, persons taking salmon with stake net, etc., for commercial purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Public Law Numbered 282, Seventy-fifth Congress, entitled "An Act making further provision for the fisheries of Alaska," approved August 14, 1937 (50 Stat. 639), is amended to read as follows: "That section 1 of the Act approved June 6, 1924, entitled 'An Act for the protection of the fisheries of Alaska, and for other purposes' (43 Stat. 464), as amended, is further amended by inserting in said section at the end of the first proviso thereof another proviso to read as follows: 'Provided further, That in the area embracing Bristol Bay and the arms and tributaries thereof, no person shall at any time fish for or take salmon with a stake net or set net, for commercial purposes, unless such person shall be a citizen of the United States and shall have theretofore continuously resided for the period of at least two years within said area; but for the salmon fishing season of 1938, residence within said area continuously after June 1, 1937, shall be deemed sufficient compliance with the residence requirements of this proviso.'"*

Approved, April 7, 1938.

#### [CHAPTER 120]

#### AN ACT

April 8, 1938  
[H. R. 7277]

[Public, No. 474]

To amend an Act entitled "An Act to refer the claim of the Menominee Tribe of Indians to the Court of Claims with the absolute right of appeal to the Supreme Court of the United States", approved September 3, 1935.

Menominee Tribe of Indians.

49 Stat. 1085.

Section repealed.

Prosecution of claims; separate suits permitted.

Facts to be set forth in petition.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to refer the claim of the Menominee Tribe of Indians to the Court of Claims, with the absolute right to appeal to the Supreme Court of the United States" (Public, Numbered 413, Seventy-fourth Congress), approved September 3, 1935, is hereby amended in the following particulars:*

Section 2 of said Act is hereby repealed and in lieu thereof the following is enacted:

"SEC. 2. The Menominee Tribe of Indians is hereby empowered to prosecute any and all of its claims by bringing at its election, acting through its attorneys, a suit or suits, as party plaintiff, against the United States, as party defendant, by filing a petition or petitions in the Court of Claims and serving with respect to each petition a copy thereof on the Attorney General of the United States. Such petition or petitions shall set forth the facts on which the claims for recovery are based and shall be verified by the attor-

ney or attorneys employed by said Menominee Tribe of Indians in accordance with existing law to prosecute such claims which may be made upon information and belief and no other verification shall be necessary. Any suit hereunder shall be instituted by the filing of a petition in the Court of Claims before the end of the calendar year of 1938. The petition or petitions shall be subject to amendment at any time prior to final submission of the case to the Court of Claims."

The first sentence of section 3 of said Act is amended by repealing the words "said suit" and inserting in lieu thereof the words "any suit instituted hereunder".

Section 6 (c) of said Act is hereby amended to read as follows:

"(c) If it shall be determined by the court that the United States has violated the terms and provisions of the Act of Congress of March 28, 1908 (35 Stat. L. 51), by cutting other than dead and down timber or such fully matured and ripened timber as the Forestry Service shall have properly designated, or by cutting such timber so as to prevent forest perpetuation, the court shall award as damages to the Menominee Tribe of Indians either (1) the difference between the net income which would have been and would be received from an acreage which would have produced, under selective cutting, if then cut, the same volume of timber as that unlawfully cut, from the time of the commencement of the unlawful cutting up to the time when the timber unlawfully cut shall have been replaced by replanting and the sustained yield from the said replanted timber shall be equal, acre for acre, to the sustained yield from the timber had it been selectively cut so as to perpetuate the forest, as required by law, with interest thereon at the rate of 4 per centum per annum for the same period, said period, wherever specified herein, to be deemed to end sixty years from the time of replacement by planting, unless otherwise determined at the trial, plus the cost of replacement of the timber on the same areas, including the necessary protection until the replanted timber shall have attained the said sustained yield, and the net income that has been and will be received from the liquidation of the timber on the acreage unlawfully cut; or (2) the cost of replacement of timber on the respective areas thus unlawfully cut, including the necessary protection until the replanted timber shall have attained the aforesaid sustained yield plus interest at 4 per centum per annum for the same period of time on an amount equal to the reasonable value as of the date of the unlawful cutting of the timber on the areas thus cut; whichever is the greater. The term 'net income' shall include the stumpage value of the timber that would have been cut under selective cutting or that was cut under clear cutting. The cost of replacement, including fire lines of the timber on the acreage unlawfully cut over, unless proved otherwise at the trial, shall be deemed to be \$15 per acre, and the annual cost of fire protection, unless proved otherwise at the trial, shall be deemed to be 6 cents per acre per year."

There is inserted as section 6 (e) the following:

"SEC. 6. (e) The causes of action and measures of damage set forth in the various paragraphs of this section 6 shall be construed to be independent of each other, but no one or all of said causes of action and measures of damage shall exclude the assertion of other causes of action as permitted by section 1 hereof or the application of other proper cumulative measures of damage."

The first sentence of section 7 of said Act is amended by repealing the words "such suit", and inserting in lieu thereof the words "any suit".

Approved, April 8, 1938.

Limitation of action.

Amendment.

Principles of law applicable; clarifying phrase.

49 Stat. 1086.

Unlawfully cut timber.

35 Stat. 51.

Computation of damages.

Interest.

Replacement cost.

Interest.

"Net income" to include stumpage value.

Causes of action and measures of damage construed to be independent of each other.  
49 Stat. 1087.

Textual correction.  
49 Stat. 1088.



## [CHAPTER 121]

## JOINT RESOLUTION

April 8, 1938  
[H. J. Res. 567]  
[Pub. Res., No. 85]

To authorize and request the President of the United States to invite the International Seed Testing Association to hold its Ninth Congress in the United States in 1940 and to invite foreign countries to participate in that congress; and also to provide for participation by the United States in that congress.

International Seed  
Testing Association.  
Invitation to hold  
9th Congress in United  
States; participation  
by foreign countries.

Appropriation au-  
thorized.

Reimbursement of  
other appropriations.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the President be, and he is hereby, authorized and requested to invite the International Seed Testing Association to hold its Ninth Congress in the United States in 1940, and to invite foreign countries to participate in that congress.

SEC. 2. That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$500, or so much thereof as may be necessary for the expenses of official entertainment by the United States at the Ninth International Seed Testing Congress to be held in the United States in 1940, and such other expenses as may be authorized by the Secretary of State, including the reimbursement of other appropriations from which payments may have been made for the purpose herein specified, to be expended under the direction of the Secretary of State.

Approved, April 8, 1938.

## [CHAPTER 132]

## AN ACT

April 9, 1938  
[H. R. 3786]  
[Public, No. 475]

Providing for the allocation of net revenues of the Shoshone power plant of the Shoshone reclamation project in Wyoming.

Shoshone reclama-  
tion project, Wyo.  
Allocation of net  
revenues from power  
plant.

Apportionment to  
Garland and Frannie  
Divisions.

Conflicting laws re-  
pealed.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the net revenues from the Shoshone power plant of the Shoshone irrigation project, properly and equitably allocable to the unconstructed portions of the Shoshone project from the operation of the Shoshone power plant, shall be applied, first, to the repayment of the proportionate construction cost of the power system; second, to the repayment of the proportionate construction cost of the Shoshone Dam; and, third, thereafter such net revenues shall be paid into the reclamation fund, and that the Secretary of the Interior is hereby authorized and directed to apply the net revenues properly and equitably apportioned or to be apportioned to the Garland and Frannie Divisions of said project, in accord with the terms and provisions of existing contracts with the water users on said project.

SEC. 2. That all Acts or parts of Acts in conflict herewith are hereby repealed.

Approved, April 9, 1938.

## [CHAPTER 133]

## AN ACT

April 9, 1938  
[H. R. 8654]  
[Public, No. 476]

To amend the Act entitled "An Act authorizing the Secretary of the Treasury to convey to the city of Wilmington, North Carolina, Marine Hospital Reservation", being chapter 93, United States Statutes at Large, volume 42, part 1, page 1260, approved February 17, 1923.

Wilmington, N. C.  
Conveyance of Ma-  
rine Hospital Reserva-  
tion to; correction in  
description.  
42 Stat. 1260.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That chapter 93, United States Statutes at Large, volume 42, part 1, page 1260, approved February 17, 1923, being an Act authorizing the Secretary of the Treasury to convey to the city of Wilmington, North Carolina,

Marine Hospital Reservation, be, and the same is hereby, amended by striking out the last twenty-eight words thereof and inserting in lieu thereof the following, to wit: "one hundred and ninety-eight feet south of the south line of Church Street".

Approved, April 9, 1938.

[CHAPTER 134]

AN ACT

To amend an Act entitled "An Act to authorize the construction of a Federal reclamation project to furnish a water supply for the lands of the Arch Hurley Conservancy District in New Mexico", approved August 2, 1937 (Public, Numbered 241).

April 9, 1938  
[H. R. 8817]  
[Public, No. 477]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act entitled "An Act to authorize the construction of a Federal reclamation project to furnish a water supply for the lands of the Arch Hurley Conservancy District in New Mexico", approved August 2, 1937 (Public, Numbered 241), is amended to read as follows:

"That the Secretary of the Interior is hereby authorized to construct a Federal reclamation project for the irrigation of the lands of the Arch Hurley Conservancy District in New Mexico under the Federal reclamation laws: *Provided*, That construction work is not to be initiated on said irrigation project until (a) the project shall have been found to be feasible under subsection B of section 4 of the Act of December 5, 1924 (43 Stat. 702), but the project may be found to be financially feasible if the Secretary of the Interior finds that the amount to be expended from the reclamation fund can be repaid by the District, and further that the amount of money to be expended from the reclamation fund, plus the amount of money which has been made available from other sources (for the estimated period of construction), equals the estimated cost of construction; (b) a contract shall have been executed with an irrigation or conservation district embracing the land to be irrigated under said project, which contract shall obligate the contracting district to repay the cost of construction of said project met by expenditure of moneys from the reclamation fund in forty equal annual installments, without interest; (c) contracts shall have been made with each owner of more than one hundred and sixty irrigable acres under said project, by which he, his successors, and assigns shall be obligated to sell all of his land in excess of one hundred and sixty irrigable acres at or below prices fixed by the Secretary of the Interior and within the time to be fixed by said Secretary, no water to be furnished to the land of any such large landowner refusing or failing to execute such contract; and (d) contracts shall have been made with all owners of lands to be irrigated under the project by which they will agree that if their land is sold at prices above the appraised value thereof, approved by said Secretary, one-half of such excess shall be paid to the United States to be applied in the inverse order of the due dates upon the construction charge installments coming due thereafter from the owners of said land."

Arch Hurley Conservancy District, N. Mex.  
Water supply for lands of.  
50 Stat. 557.

Federal reclamation project authorized.  
*Post*, p. 1133.

*Proviso.*  
*Feasibility* to be first ascertained.

43 Stat. 702.  
Findings required.

Contracts.  
Repayment of cost of construction.

Sale of excess land.

Application of excess from sales of land above appraised value.

Approved, April 9, 1938.

## [CHAPTER 135]

## AN ACT

April 9, 1938  
[H. R. 9418]  
[Public, No. 478]

To amend an Act entitled "An Act authorizing the Secretary of the Treasury to convey to the Board of Education of New Hanover County, North Carolina, portion of marine-hospital reservation not needed for marine-hospital purposes", approved July 10, 1912 (37 Stat. 191).

Wilmington, N. C.  
Restriction on use of  
land in, conveyed to  
Board of Education,  
New Hanover Coun-  
ty, modified.

37 Stat. 191.

Reversionary provi-  
sion.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Treasury is hereby authorized to amend the quitclaim deed which was executed by the Secretary of the Treasury under date of July 24, 1912, pursuant to the authority contained in an Act entitled "An Act authorizing the Secretary of the Treasury to convey to the Board of Education of New Hanover County, North Carolina, a portion of the marine-hospital reservation not needed for marine-hospital purposes", approved July 10, 1912 (37 Stat. 191), so as to provide, in lieu of the limitation that the land is to be "used exclusively for industrial-school purposes", that it may be used for any public purpose or purposes, and to provide that the title to said land revert to the United States of America if at any time the land or any building erected thereon shall cease to be used for a public purpose.

Approved, April 9, 1938.

## [CHAPTER 140]

## AN ACT

April 13, 1938  
[S. 3735]  
[Public, No. 479]

To amend section 5d of the Reconstruction Finance Corporation Act, as amended, to authorize loans to public agencies, to provide credit facilities for business enterprises and for other purposes.

Reconstruction  
Finance Corporation  
Act, amendments.  
48 Stat. 1108.  
15 U. S. C. § 606b;  
Supp. III, § 606b.

Loans or contracts  
with public agencies  
for aid in financing  
projects.

Purchase of securi-  
ties.

Private business en-  
terprise where credit  
not otherwise avail-  
able.

Provisos.  
Soundness of secur-  
ities.

Solvency of enter-  
prise.  
Terms and condi-  
tions.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 5d of the Reconstruction Finance Corporation Act approved January 22, 1932, as amended (U. S. C., title 15, ch. 14), is amended to read as follows:

"SEC. 5d. For the purpose of maintaining and promoting the economic stability of the country or encouraging the employment of labor the Corporation is authorized and empowered, under such terms, conditions, and restrictions as the Corporation may determine, to make loans to, or contracts with, States, municipalities, and political subdivisions of States, with public agencies and instrumentalities of one or more States, municipalities, and political subdivisions of States, and with public corporations, boards, and commissions, to aid in financing projects authorized under Federal, State, or municipal law, such loans or contracts to be made through the purchase of their securities, or otherwise, and for such purpose the Corporation is authorized to bid for such securities. The Corporation is further authorized and empowered to purchase the securities and obligations of, and to make loans to, any business enterprise when capital or credit, at prevailing rates for the character of loan applied for, is not otherwise available: *Provided*, That all such purchases of securities and obligations and all such loans shall be, in the opinion of the board of directors, of such sound value, or so secured, as reasonably to assure retirement or repayment; may be made or effected either directly or in cooperation with banks or other lending institutions through agreements to participate or by the purchase of participations, or otherwise; shall be made only when, in the opinion of the board of directors, the business enterprise is solvent; and shall be made under such terms, conditions, and restrictions as the corpora-

tion may determine: *Provided further*, That in carrying out the provisions of this section, the Corporation may purchase securities and obligations, and may make loans, with such maturities as the Corporation may determine, notwithstanding any other provision of law.

"The powers granted to the Corporation by this section shall terminate on June 30, 1939, or on such earlier date as the President shall determine; but no provision of law terminating any of the functions of the Corporation shall be construed (1) to prohibit disbursement of funds on purchases of securities and obligations, on loans, or on commitments or agreements to make such purchases or loans, made under this section prior to the close of business on June 30, 1939, or such earlier date, or (2) to affect the validity or performance of any agreement to participate in any purchase or loan authorized by this section.

"Nothing in this section shall be construed to authorize the Corporation (1) to purchase, or to make any commitment or agreement to purchase, any securities or obligations of any railroad engaged in interstate commerce the obligations of which may be purchased or guaranteed by the Corporation under section 5 of this Act only with the approval of the Interstate Commerce Commission, or (2) to make any loan, or any commitment or agreement to make a loan, to any such railroad or to any receiver or trustee thereof."

Approved, April 13, 1938.

Maturities.

Termination of powers.

Prior loans or commitments.

Validity, etc., of loan agreements.

Restriction on loans to railroads.

47 Stat. 6.  
15 U. S. C. § 605;  
Supp. III, § 605.

#### [CHAPTER 141]

##### AN ACT

To set aside certain lands in Oklahoma for the Cheyenne and Arapahoe Indians.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That there is hereby eliminated from the Seger School Reserve and set aside for the use and benefit of the Indians of the Cheyenne and Arapahoe Reservation in Oklahoma, in township 10 north, range 14 west, Indian meridian, all of sections 22 and 23, all of section 21, except the east half northwest quarter and east half east half west half northwest quarter, and in section 15 a tract beginning at the northeast corner thereof, thence west along the north line of the section eighty-eight rods, thence south one hundred and sixty rods, thence east eighty-eight rods to the east line of the section, thence north one hundred and sixty rods to the point of beginning: *Provided*, That until otherwise directed by Congress none of the lands shall be allotted in severalty.

Approved, April 13, 1938.

April 13, 1938  
[S. 2698]

[Public, No. 480]

Cheyenne and Arapahoe Indians, Okla.  
Designated lands set aside for use of.  
Description.

*Proviso.*  
Allotment in severalty forbidden.

#### [CHAPTER 142]

##### AN ACT

To promote air commerce by providing for the closing of Military Road.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of War is authorized and directed to convey by quitclaim deed to the National Airport Corporation, a corporation organized under the laws of the State of Delaware, the lands forming that part of Military Road, Fort Myer Military Reservation, Arlington County, Virginia,

April 13, 1938  
[S. 3304]

[Public, No. 481]

Military Road, Va.  
Conveyance of portion of, to National Airport Corporation.

## Description.

described as follows: Beginning at point on the easterly line of the Arlington Reservation north sixteen degrees west seventy-five and twenty-nine one-hundredths feet from the stone marking the south-east corner of said reservation; thence with said easterly line of said reservation north sixteen degrees no minutes west seventy-one and seventy-three one-hundredths feet; thence north eighty-five degrees thirty-five minutes east two hundred and sixty-three and twenty-five one-hundredths feet; thence by a curve to the right of six hundred and eight and seven-tenths feet radius three hundred and thirty-six and forty-two one-hundredths feet; thence south sixty-two degrees forty-five minutes east one thousand two hundred and fifty-three and eleven one-hundredths feet; thence by a curve to the left of four hundred and six and seven-tenths feet radius four hundred and fifty-four and twenty-seven one-hundredths feet; thence north fifty-three degrees fifteen minutes east thirty-two and nine one-hundredths feet to a point; thence south thirty-one degrees twenty-seven minutes east eight and ninety-six one-hundredths feet to the northwest corner of the right-of-way of the Virginia approach to the Highway Bridge; thence with the westerly line of said right-of-way south twenty degrees fifty-five minutes west one hundred and ten and ninety-one one-hundredths feet; thence south sixty-six degrees fifteen minutes west forty-five and eighty-five one-hundredths feet; thence by a curve to the right of four hundred and seventy-six and seven-tenths feet radius four hundred and twenty-four and three-tenths feet; thence north sixty-two degrees forty-five minutes west one thousand two hundred and fifty-three and eleven one-hundredths feet; thence by a curve to the left of five hundred and thirty-eight and seven-tenths feet radius two hundred and ninety-seven and seventy-three one-hundredths feet; thence south eighty-five degrees thirty-five minutes west two hundred and forty-seven and sixty-three one-hundredths feet to the point of beginning. The above-described parcel of land comprises a strip of land seventy feet in width, the center line of said seventy-foot strip being coincident with the center line of the highway from the Highway Bridge to Arlington National Cemetery, and contains three and seven thousand one hundred and sixty-five ten-thousandths acres of land, more or less.

## Lease of designated part.

SEC. 2. The Secretary of War is further authorized and directed to lease to such corporation for airport purposes, under such terms and conditions as he may prescribe, for a period not exceeding fifty years and only for such period as the adjoining land shall be used for an airport, at a rental of \$1 per annum, that part of such Military Road lying east of the Washington and Southern freight branch of the Pennsylvania Railroad and which is not included in the conveyance provided for in section 1 of this Act and which contains approximately one and one-half acres.

## Closing of described portion upon execution of quitclaim deed and lease.

SEC. 3. The Secretary of War is authorized and directed, upon the execution of such quitclaim deed and lease, to close that portion of Military Road described in sections 1 and 2 of this Act.

## Grant subject to payment for substitute road.

SEC. 4. The Secretary of War shall not execute such quitclaim deed or lease to the National Airport Corporation until the National Airport Corporation shall have paid to the Board of Commissioners of Arlington County the sum of \$25,000 for the construction of a substitute road.

Approved, April 13, 1938.

## [CHAPTER 143]

## AN ACT

To amend the Agricultural Adjustment Act, as amended, by including hops as a commodity to which orders under such Act are applicable.

April 13, 1938  
[H. R. 7836]

[Public, No. 482]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 8 c (2) of the Agricultural Adjustment Act, as amended, is amended by inserting after "soybeans" the following: ", hops,".

SEC. 2. Section 8 c (6) of such Act, as amended, is amended by inserting after "soybeans and their products", the following: ", hops,".

SEC. 3. No order issued pursuant to section 8c of the Agricultural Adjustment Act, as amended, shall be applicable to hops except during the two crop years next succeeding the date of enactment of this Act.

Approved, April 13, 1938.

Agricultural Adjustment Act, amendments.  
49 Stat. 754; 50 Stat. 563.  
7 U. S. C., Supp. III, § 608c (2).  
Commodity orders extended to include hops.  
49 Stat. 755; 50 Stat. 563.  
7 U. S. C., Supp. III, § 608c (6).  
Orders limited to two crop years.

## [CHAPTER 144]

## AN ACT

To provide for a flowage easement on certain ceded Chippewa Indian lands bordering Lake of the Woods, Warroad River, and Rainy River, Minnesota, and for other purposes.

April 13, 1938  
[H. R. 8432]

[Public, No. 483]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That all lands bordering on Lake of the Woods, Warroad River, and Rainy River, Minnesota, ceded and relinquished to the United States by the Chippewa Indians pursuant to the Act entitled "An Act for the relief and civilization of the Chippewa Indians in the State of Minnesota", approved January 14, 1889, and still owned by the United States, shall be subject to a flowage easement up to elevation one thousand and sixty-four sea-level datum, as required by the treaty of February 24, 1925 (44 Stat. L. 2108), between the United States and Great Britain and the Act of May 22, 1926 (44 Stat. L. 617), carrying the treaty into effect, as amended by the Act of April 18, 1928 (45 Stat. L. 431), which authorized and directed the Secretary of War to acquire by purchase or condemnation flowage easements upon all lands in the United States, bordering on Lake of the Woods, Warroad River, and Rainy River. All rights and equities of the Indians in and to the lands affected by said easement are hereby extinguished. In order to compensate the Indians for their rights and equities in said lands, the Secretary of War is hereby authorized to cause the sum of \$11,740.75, less any amount that may be found to have been previously paid by the United States and for which it has not been fully reimbursed, to be transferred out of any balance of appropriations heretofore made for protective works and measures, Lake of the Woods and Rainy River, to the credit of the Chippewa Indians in the State of Minnesota as part of the fund created by section 7 of the said Act of January 14, 1889 (25 Stat. L. 642).

SEC. 2. That Executive Orders Numbered 4867 and 5025, dated April 28, 1928, and January 14, 1929, respectively, withdrawing certain ceded lands from homestead entry for the purpose of facilitating acquisition of the flowage easement aforesaid, are hereby revoked: *Provided*, That such of the lands lying wholly or partly below elevation one thousand and sixty-four sea-level datum, shall forever be and remain subject to the right of the United States to overflow same or any part thereof, and that all patents issued for the said lands shall expressly reserve to the United States the right to overflow and flood

Chippewa Indians of Minnesota.  
Certain ceded lands to be subject to flowage easement.  
25 Stat. 642.

44 Stat. 2108, 617;  
45 Stat. 431.

Rights, etc., of Indians extinguished.

Transfer of sum for compensating Indians for rights in said lands.

Funds available.

25 Stat. 645.  
Executive Orders 4867 and 5025 revoked.

*Proviso.*  
Right to overflow sub-level lands reserved.

Restriction on credit of moneys to Indians from certain land sales, etc.

said lands up to elevation one thousand and sixty-four. No moneys received from the sale or other disposition of any lands for which the Indians receive payment under section 1 hereof shall be placed to the credit of the Indians.

Approved, April 13, 1938.

[CHAPTER 145]

AN ACT

For the benefit of the Goshute and other Indians, and for other purposes.

April 13, 1938  
[H. R. 8885]  
[Public, No. 484]

Goshute, etc., Indians.  
Certain lands set aside as a permanent reservation for.

Description.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That whenever the privately owned lands, commonly referred to as the Triune Ranch, within the following-described area have been purchased and acquired as hereafter authorized, the following-described lands be, and hereby are, set aside as a permanent reservation for the benefit of the Goshute and such other Indians as the Secretary of the Interior may locate thereon:

The east half section 1; east half section 12; northeast quarter section 13, township 22 north, range 69 east; sections 1 to 18, inclusive; east half section 24, east half section 25, east half section 36, township 23 north, range 69 east (unsurveyed); all of township 24 north, range 69 east (unsurveyed); sections 3 to 10, inclusive; north half; north half south half; southwest quarter of southwest quarter section 15; east half section 16; northwest quarter; north half northeast quarter section 17; north half section 18; northeast quarter section 21; west half northwest quarter section 22; fractional township 22 north, range 70 east; all of fractional township 23 north, range 70 east (unsurveyed); all of fractional township 24 north, range 70 east, except lot 5; northeast quarter southwest quarter and north half section 3, Mount Diablo base and meridian, Nevada.

Prior rights not affected.

This extension shall not affect any valid rights initiated prior to the approval hereof.

Purchase of certain private holdings, etc.

SEC. 2. That for the use and benefit of the Indians on the Goshute Reservation and such other Indians as the Secretary of the Interior may locate thereon, the Secretary of the Interior be, and he is hereby, authorized to purchase with any available funds heretofore or hereafter appropriated pursuant to authority contained in section 5 of the Act of June 18, 1934 (48 Stat. L. 984), all privately owned lands, interest in lands, water rights, or improvements upon the public domain within the area described in section 1 hereof and including all chattels located on that part of what is known as the Triune Ranch, located in said area. Title to the foregoing property to be acquired under the provisions of this Act shall be taken in trust for such Goshute and other Indians as may be designated by the Secretary of the Interior.

Approved, April 13, 1938.

48 Stat. 985.  
25 U. S. C. § 465.

Title to be taken in trust for Indians.

[CHAPTER 146]

AN ACT

To provide for a commissioned strength of fourteen thousand six hundred and fifty-nine for the Regular Army.

April 13, 1938  
[H. R. 9605]  
[Public, No. 485]

Regular Army.  
Increase in commissioned strength.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the authorized commissioned strength of the Regular Army, including the sixty-seven general officers of the line as now authorized by law, shall be fourteen thousand six hundred and fifty-nine officers, of

which number one thousand seven hundred and ninety-three shall be assigned to the non-promotion-list branch in numbers proportionate to the numbers now fixed by law for such branches, and twelve thousand seven hundred and ninety-nine to the promotion-list branches in numbers proportionate to the numbers now designated by the President for such branches pursuant to law, except that the proportional increases as computed under this Act for the Medical Administrative Corps and Veterinary Corps shall be assigned to the Dental Corps and that the Air Corps shall be increased so as to provide within the total of fourteen thousand six hundred and fifty-nine an authorized commissioned strength of two thousand and ninety-two: *Provided*, That the President may increase or diminish the number of officers assigned to any branch by not more than a total of 30 per centum: *Provided further*, That the additional officers authorized by this Act shall be appointed in the lowest commissioned grade now provided by law for the respective branches in which appointments are to be made: *And provided further*, That this Act shall not affect the Act approved August 30, 1935 (49 Stat. 1028), except that the total number of Reserve officers to be appointed annually under authority of that Act, in the combatant arms, Chemical Warfare Service and the Air Corps in the grade of second lieutenant, Regular Army, shall be 10 per centum of the total number authorized to be trained annually under appropriation Acts in pursuance of the Act of August 30, 1935, and in no event less than fifty, and that any officers added to the Army under existing authorizations shall be within the total authorized commissioned strength of fourteen thousand six hundred and fifty-nine herein provided.

Approved, April 13, 1938.

Assignments.

Exceptions.  
Dental Corps.  
*Ante*, p. 8.

Air Corps.

*Provisos.*  
Powers of President to modify assignments.  
Appointment in lowest commissioned grade of each branch.

Reserve officers; annual appointments in combatant arms, etc.  
49 Stat. 1028.  
10 U. S. C., Supp. III, §§ 369a, 487a.

Increases not to exceed existing authorizations.

# [CHAPTER 147]

## JOINT RESOLUTION

Authorizing the erection of a memorial to the late Guglielmo Marconi.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of the Interior be, and he is hereby, authorized and directed to grant permission to The Marconi Memorial Foundation, Inc., for the erection on public grounds of the United States in the District of Columbia, other than those of the Capitol, the Library of Congress, and the White House, of a memorial of simple and artistic form to the late Guglielmo Marconi, inventor of an apparatus for wireless telegraphy, by the American people: *Provided*, That the site chosen and the design of the memorial shall have the approval of the National Commission of Fine Arts and that the United States shall be put to no expense in or by the erection of the said memorial: *Provided further*, That unless funds, which in the estimation of the Secretary of the Interior are sufficient to insure the completion of the memorial, are certified available, and the erection of this memorial begun within five years from and after the passage of this legislation, the authorization hereby granted is revoked.

Approved, April 13, 1938.

April 13, 1938  
[H. J. Res. 499]  
[Pub. Res., No. 86]

Guglielmo Marconi memorial.  
Erection of, in District of Columbia, authorized.

*Provisos.*  
Approval of site and design.

Financial, etc., conditions.



## [CHAPTER 148]

## JOINT RESOLUTION

April 13, 1938  
[H. J. Res. 594]  
[Pub. Res., No. 87]

Directing the Federal Trade Commission to investigate the policies employed by manufacturers in distributing motor vehicles, accessories, and parts, and the policies of dealers in selling motor vehicles at retail, as these policies affect the public interest.

Federal Trade Commission.  
Investigation of motor vehicle, etc., distribution practices.  
38 Stat. 717.  
15 U. S. C. § 41.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Federal Trade Commission be, and is hereby, directed and authorized under the Act entitled "An Act to create a Federal Trade Commission, to define its powers and duties, and for other purposes", approved September 26, 1914, to investigate the policies employed by manufacturers in distributing motor vehicles, accessories, and parts, and the policies of dealers in selling motor vehicles at retail, as these policies affect the public interest.

Purpose and scope.  
Extent of concentration of control and monopoly.

The purpose of this investigation shall be to determine—

1. The extent of concentration of control and of monopoly in the manufacturing, warehousing, distribution, and sale of automobiles, accessories, and parts, including methods and devices used by manufacturers for obtaining and maintaining their control or monopoly of such manufacturing, warehousing, distribution, and sale of such commodities, and the extent, if any, to which fraudulent, dishonest, unfair, and injurious methods are employed, including combinations, monopolies, price fixing, or unfair trade practices;

Antitrust law violations.

2. The extent to which any of the antitrust laws of the United States are being violated; and

Powers vested in Commission.

3. For the purposes of the investigation hereby directed and authorized, the Federal Trade Commission is given all the powers conferred upon it by the Federal Trade Commission Act.

Report and recommendations.

SEC. 2. The Federal Trade Commission shall report its findings to the Congress of the United States within one year from date of enactment of this resolution, recommending whatever remedial legislation it deems necessary and proper.

Appropriation authorized.

SEC. 3. The sum of \$50,000 is hereby authorized to be appropriated to the Federal Trade Commission for the purpose of making this investigation.

Approved, April 13, 1938.

## [CHAPTER 157]

## AN ACT

April 15, 1938  
[H. R. 7448]  
[Public, No. 486]

To provide for experimental air-mail services to further develop safety, efficiency, and economy, and for other purposes.

Postal service.  
Experimental air mail services authorized.  
Post, pp. 997, 1144.  
Autogiro aircraft shuttle service.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Postmaster General is authorized, under such appropriate rules and regulations as he may prescribe, to provide for and supervise experimental services in connection with the transportation of mail by air, including the transportation of mail by autogiro aircraft shuttle service between outlying airports and central city areas, and including the utilization of patented articles and equipment upon payment of just compensation therefor, with the object of further developing safety, efficiency, and economy in air-mail transportation, collection, and delivery. The Postmaster General shall procure any such proposed service by contract with the lowest acceptable and responsible bidder. Such contracts and operations thereunder shall be subject to such requirements relating to safety, technical functions, qualifications of aircraft and

Contracts and operations, provisions governing.

airmen, and matters connected therewith as the Secretary of Commerce shall prescribe in accordance with the authority vested in him under the Air Commerce Act of 1926, as amended. The provisions of section 13 (relating to pay and working conditions and relations of pilots and other employees) of the Air Mail Act of 1934, approved June 12, 1934, as amended, shall apply to all contracts awarded under this Act.

SEC. 2. The Postmaster General shall report to Congress as soon as practicable the final results of experimental services conducted under this Act, together with his recommendations for legislation to establish on a permanent basis any such services ascertained to be essential or useful in carrying out the object of this Act. He may from time to time make preliminary reports and recommendations to Congress whenever definite conclusions are reached in respect of any such service.

SEC. 3. The first sentence of subsection (f) of section 3 of the Act entitled "An Act to revise air-mail laws, and to establish a commission to make a report to the Congress recommending an aviation policy", approved June 12, 1934, as amended (U. S. C., 1934 edition, Supp. II, title 39, sec. 469A (f), Public, Numbered 420, approved January 14, 1938), is amended to read as follows:

"(f) The Postmaster General shall not award contracts for air-mail routes or extend such routes in excess of an aggregate of forty thousand miles, and shall not pay for air-mail transportation on such routes and extensions in excess of an annual aggregate of sixty million airplane-miles."

SEC. 4. That subsection (c) of section 3 of the Act entitled "An Act to revise air-mail laws, and to establish a commission to make a report to the Congress recommending an aviation policy", approved June 12, 1934, as amended, is amended to read as follows:

"(c) If, in the opinion of the Postmaster General, the public interest requires it, he may grant extensions at any point of any route: *Provided*, That the aggregate mileage of all such extensions on any one route shall not exceed two hundred and fifty miles, and that the rate of pay for such extensions shall not be in excess of the rate per mile fixed for the service thus extended."

SEC. 5. Subsection (d) of section 7 of the Act entitled "An Act to revise air-mail laws, and to establish a commission to make a report to the Congress recommending an aviation policy", approved June 12, 1934, as amended, is amended to read as follows:

"(d) No person shall be qualified to enter upon the performance of, or thereafter to hold an air-mail contract, if it pays any officer, director, or regular employee compensation in any form, whether as salary, bonus, commission, or otherwise, at a rate exceeding \$17,500 per year for full time: *Provided*, That it shall be unlawful for any officer or regular employee to draw a salary of more than \$17,500 per year from any air-mail contractor, or a salary from any other company if such salary from any company makes his total compensation more than \$17,500 per year."

SEC. 6. Whenever he shall find it to be in the public interest, because of the nature of the terrain and the impracticability of surface transportation, the Postmaster General may award contracts for the transportation of any or all classes of mail by airplane upon star routes not over two hundred airplane-miles in length by direct flight between termini, payment for such service to be made from the appropriation for inland transportation by star routes: *Provided*, That all laws and regulations not in conflict with this section governing star routes shall be applicable to contracts made under the

44 Stat. 570.  
49 U. S. C. §§ 171-184.  
Pay and working conditions of pilots, etc.

48 Stat. 937; 49 Stat. 618.  
39 U. S. C. § 469k; Supp. III, § 469k.

Report and recommendations to Congress.

Preliminary reports and recommendations.

48 Stat. 934; 49 Stat. 615; *ante*, p. 6; *post*, p. 1029.  
39 U. S. C. § 469a (f); Supp. III, § 469a (f).  
Contracts; mileage limitation.

49 Stat. 615.  
39 U. S. C., Supp. III, § 469a (c).  
Granting of extensions.

*Proviso*.  
Limitation on aggregate mileage and pay.

49 Stat. 617.  
39 U. S. C., Supp. III, § 469e (d).

Air mail contractors.  
Compensation of officers, etc., limited.

*Proviso*.  
Unlawful to exceed limitation.

Star route airplane service.  
*Post*, p. 1144.

*Provisos*.  
Laws and regulations applicable.

Base rate of pay.

Exception.

Designated transportation provisions not to apply.  
48 Stat. 933; 49 Stat. 614.  
39 U. S. C. § 469; Supp. III, ch. 13.  
Number of contracts limited.

authority of this section: *Provided further*, That the base rate of pay which may be allowed in awarding such contracts shall not exceed 20 cents per airplane-mile for a load not exceeding two hundred and fifty pounds of mail, and not exceeding 1 cent per airplane-mile for each twenty pounds of mail carried in excess of the two hundred and fifty-pound limit, except that in the discretion of the Postmaster General a higher base rate of pay may be allowed in awarding contract for carrying mail over circuitous routes of less than seventy-five miles in length: *And provided further*, That the provisions of the Act of June 12, 1934 (48 Stat. 933), as amended by the Act of August 14, 1935 (49 Stat. 614), shall not apply to the transportation of mail under this section: *And provided further*, That the Postmaster General shall not award more than five contracts for the transportation of mail under the authority of this section.

Approved, April 15, 1938.

#### [CHAPTER 167]

#### AN ACT

April 22, 1938  
[S. 3590]  
[Public, No. 487]

To amend an Act entitled "An Act for making further and more effectual provision for the national defense, and for other purposes", approved June 3, 1916, as amended by the Act of June 4, 1920, so as to make available certain other officers for General Staff duty.

National Defense Act, amendments.  
41 Stat. 762.  
10 U. S. C. §§ 27, 28, 532.

General Staff Corps, assignments in peace time.  
Line officers, service requirements.

Officers below brigadier general, service with troops.

*Proviso.*  
Officers commissioned in a staff corps.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the fifth sentence of section 4 (c) of the Act entitled "An Act for making further and more effectual provision for the national defense, and for other purposes", approved June 3, 1916, as amended by the Act of June 4, 1920, be, and the same is hereby, further amended to read as follows: "In time of peace no officer of the line shall be or remain detailed as a member of the General Staff Corps unless he has served for two of the next preceding six years in actual command of, or on duty other than General Staff duty, with troops of one or more of the combatant arms or as instructor with the National Guard, Organized Reserves, or Reserve Officers' Training Corps; and in time of peace every officer serving in a grade below that of brigadier general shall perform duty with troops of one or more of the combatant arms for at least one year in every period of five consecutive years, except that officers of less than one year's commissioned service in the Regular Army may be detailed as students at service schools: *Provided*, That an officer commissioned in a staff corps shall not be or remain detailed as a member of the General Staff Corps unless he has served for one of the next preceding five years with troops of one or more of the combatant arms or as instructor with the National Guard, Organized Reserves, or Reserve Officers' Training Corps."

Approved, April 22, 1938.

#### [CHAPTER 168]

#### AN ACT

April 25, 1938  
[H. R. 9257]  
[Public, No. 488]

To extend the time for completing the construction of a bridge across the Saint Clair River at or near Port Huron, Michigan.

Saint Clair River.  
Time extended for bridging, at Port Huron, Mich.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the time for completing the construction of a bridge across the Saint Clair River at or near Port Huron, Michigan, authorized to be built by the State of Michigan, by and through its State Bridge Commission, or

the successors of said commission, by an Act of Congress approved August 30, 1935, is hereby extended two years from August 30, 1938.

SEC. 2. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, April 25, 1938.

49 Stat. 1067.  
Amendment.

[CHAPTER 169]

AN ACT

To provide for the exchange of land in the Territory of Alaska.

April 25, 1938

[S. 3160]

[Public, No. 489]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of War is hereby authorized to convey all the right, title, and interest of the United States of America in and to that parcel of land in the Territory of Alaska containing two hundred and twenty-seven and nine one-hundredths acres, reserved for use by the Department of War as a site for a radio station by Executive Order Numbered 7135, dated August 9, 1935, in exchange for a conveyance to the United States of America, without cost, of the fee-simple title to privately owned land of equal or greater value than the land first herein referred to, and more adaptable for radio-station purposes.

Territory of Alaska.  
Exchange of land in,  
for use as radio station  
site.

Approved, April 25, 1938.

[CHAPTER 170]

AN ACT

To clarify the status of pay and allowances under the provisions of the Act of September 3, 1919.

April 25, 1938

[S. 3272]

[Public, No. 490]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That pay and allowances accruing under the provisions of the Act of September 3, 1919 (41 Stat. 283), during the periods of service heretofore or hereafter performed in Europe under the provisions of the Act of March 4, 1923 (42 Stat. 1509), shall be considered as coming within the scope of the Act of March 26, 1934 (48 Stat. 466), and included in the computation of exchange losses thereunder.

Federal officers and  
employees in foreign  
countries.

Pay, etc., status  
clarified.  
41 Stat. 283; 42 Stat.  
1509; 48 Stat. 466.

10 U. S. C. § 671a;  
36 U. S. C. §§ 121-138;  
5 U. S. C. § 118c;  
Supp. III, § 118c.

Approved, April 25, 1938.

[CHAPTER 171]

AN ACT

To amend the National Defense Act of June 3, 1916, as amended, by reestablishing the Regular Army Reserve, and for other purposes.

April 25, 1938

[S. 3530]

[Public, No. 491]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 30 of the National Defense Act of June 3, 1916, as amended, be, and the same is hereby, amended by striking out the same and inserting the following in lieu thereof:

National Defense  
Act, amendments.  
39 Stat. 187; 41 Stat.  
775.

"SEC. 30. THE REGULAR ARMY RESERVE.—Under such regulations as the President may prescribe there shall be organized and maintained as a part of the Regular Army and in addition to the authorized strength thereof otherwise provided a Regular Army Reserve. Any person who has served in the Regular Army and who has been honorably discharged therefrom, and who is less than thirty-six years of age may, under regulations prescribed by the President, be reenlisted for the Regular Army Reserve. Each soldier thus reenlisted shall be entitled to receive, during each year of his service in the

Regular Army Re-  
serve.

Maintenance as  
part of Regular Army;  
additional to author-  
ized strength.

Qualifications for re-  
enlistment.

Enlistment allow-  
ance.

Service to confer no right to pay, etc., other than herein provided.

Pensions only due to service-incurred disability.

Active duty construed.

Service only in emergencies; allowances.

Sum payable upon entering on active duty.

Status and pay.

Longevity computation.  
Inactive status, etc., after emergency declared terminated.

Applicability of military law.

Regular Army Reserve, an enlistment allowance of \$24 per annum payable in installments under such regulations and conditions as the President may prescribe. Service in the Regular Army Reserve not on active duty shall confer no right to pay, longevity pay, retirement or retired pay, or any other emoluments upon members thereof except as provided in this section; and members of the Regular Army Reserve shall become entitled to pensions only due to disability incurred while on active duty in the service of the United States. Active duty for such purposes shall be deemed to begin on the date of acceptance for such duty following compliance with the order to report for active duty and shall terminate when relieved or discharged from such duty. Members of the Regular Army Reserve may be ordered to active duty only in case of emergency declared by the President and when so ordered shall be furnished transportation and subsistence allowances at Government expense from their homes within the continental limits of the United States or its possessions to points where ordered to report for active duty. In addition, if found qualified and accepted for active duty following such order they shall receive a sum at the rate of \$3 per month for each month they have been enlisted in the Regular Army Reserve but not to exceed \$150. While on active duty they shall have the same status and receive only the same pay and allowances provided by law for enlisted men of the active Regular Army of like grade and length of service. In computing length of service for pay purposes, time spent on active duty only will be counted. Within six months after the termination of an emergency declared by the President, they shall be placed in an inactive status or discharged, whichever is appropriate.

"Members of the Regular Army Reserve shall be subject to military law only from the date they are required to obey an order to report for active duty."

Approved, April 25, 1938.

#### [CHAPTER 172]

#### JOINT RESOLUTION

Providing an additional appropriation for the Civilian Conservation Corps for the fiscal year ending June 30, 1939.

April 25, 1938  
[H. J. Res. 627]  
[Pub. Res., No. 88]

Civilian Conservation Corps.  
Additional appropriation for expenses, fiscal year 1939.  
50 Stat. 319.  
16 U. S. C., Supp. III, § 584.

Unobligated balance reappropriated.  
50 Stat. 470.

Amount available for pay, etc., of enrollees.

Post, p. 414.

Restriction on construction of new camps.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That for an additional amount for all authorized and necessary expenses of the Civilian Conservation Corps in carrying into effect the provisions of the Act entitled "An Act to establish a Civilian Conservation Corps, and for other purposes", approved June 28, 1937, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1939, the sum of \$22,000,000, and in addition thereto there is hereby reappropriated and made available for such purpose the unobligated balance on June 30, 1938, of the appropriation "Civilian Conservation Corps, 1938", and of the total amount made available hereby not less than \$30,000,000 shall be available only for pay, subsistence, clothing (and repair thereof), transportation, and hospitalization of enrollees. The foregoing appropriation and reappropriation shall be added to, and be available for the same objects of expenditure and within the limitations specified in, the appropriation for the Civilian Conservation Corps in the Independent Offices Appropriation Act, 1939, and no part of the amounts made available hereby shall be used for the construction of any new camps.

Approved, April 25, 1938.

## [CHAPTER 173]

## AN ACT

To extend from June 16, 1938, to June 16, 1939, the period within which loans made prior to June 16, 1933, to executive officers of member banks of the Federal Reserve System may be renewed or extended.

April 25, 1938  
[S. 3400]  
[Public, No. 492]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (g) of section 22 of the Federal Reserve Act, as amended (U. S. C., title 12, sec. 375a), is amended by striking out the word "five" in the first sentence of such subsection and inserting in lieu thereof the word "six".

Approved, April 25, 1938.

Federal Reserve Act, amendment.  
Loans to executive officers of member banks.  
Extension or renewal.  
49 Stat. 375, 716.  
12 U. S. C., Supp. III, § 375a.

## [CHAPTER 174]

## JOINT RESOLUTION

To permit the transportation of passengers by Canadian passenger vessels between the port of Rochester, New York, and the port of Alexandria Bay, New York, on Lake Ontario and the Saint Lawrence River.

April 26, 1938  
[H. J. Res. 463]  
[Pub. Res., No. 89]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That, until such time as passenger service shall be established by vessels of the United States between the port of Rochester, New York, and the port of Alexandria Bay, New York, the Secretary of Commerce is authorized in his discretion to issue annually permits to Canadian passenger vessels to transport passengers between these ports; such Canadian vessels holding such permits not to be subject to the provisions of section 8 of the Act of June 19, 1886, as amended by section 2 of the Act of February 17, 1898 (46 U. S. C., sec. 289).

Approved, April 26, 1938.

Transportation of passengers by Canadian vessels between designated ports.  
Annual permits.

Penalty provisions waived.  
24 Stat. 81; 30 Stat. 248.  
46 U. S. C. § 289.

## [CHAPTER 175]

## AN ACT

Making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1939, and for other purposes.

April 26, 1938  
[H. R. 8993]  
[Public, No. 493]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Navy Department and the naval service for the fiscal year ending June 30, 1939, namely:

Navy Department and naval service appropriations for fiscal year 1939.

## NAVAL ESTABLISHMENT

Naval Establishment.

## OFFICE OF THE SECRETARY

Office of the Secretary.

## MISCELLANEOUS EXPENSES

For traveling expenses of civilian employees, including not to exceed \$3,800 for the expenses of attendance, at home and abroad, upon meetings of technical, professional, scientific, and other similar organizations when, in the judgment of the Secretary of the Navy, such attendance would be of benefit in the conduct of the work of the Navy Department; not to exceed \$2,000 for the part-time or intermittent employment in the District of Columbia or elsewhere of such experts and at such rates of compensation as may be contracted for by and in the discretion of the Secretary of the Navy; expenses of courts martial, purchase of law and reference books, expenses of prisoners and prisons, courts of inquiry, boards of investigations,

Traveling expenses.

Experts.

Courts martial, etc.

Accident prevention,  
shore establishments.

Advertising.

Living quarters, etc.  
46 Stat. 818.  
5 U. S. C. § 118a.

Telegrams, radio-  
grams, cablegrams, etc.

Damage claims.

41 Stat. 132.  
34 U. S. C. § 600.

*Provisos.*  
Restriction on use  
in certain naval dis-  
tricts.

Group IV (b) em-  
ployees.

examining boards, clerical assistance; witnesses' fees and traveling expenses; not to exceed \$15,000 for promoting accident prevention and safety in shore establishments of the Navy, to be expended in the discretion of the Secretary of the Navy; newspapers and periodicals for the naval service; all advertising of the Navy Department and its bureaus (except advertising for recruits for the Bureau of Navigation); costs of suits; relief of vessels in distress; recovery of valuables from shipwrecks; maintenance of attachés abroad, including office rental and pay of employees, and not to exceed \$12,000 in the aggregate or \$900 for any one person for allowances for living quarters, including heat, fuel, and light, as authorized by the Act approved June 26, 1930 (5 U. S. C. 118a); the collection and classification of information; not to exceed \$200,000 for telephone, telegraph, and teletype rentals and tolls, telegrams, radiograms, and cablegrams; postage, foreign and domestic, and post-office box rentals; necessary expenses for interned persons and prisoners of war under the jurisdiction of the Navy Department, including funeral expenses for such interned persons or prisoners of war as may die while under such jurisdiction; payment of claims for damages as provided in the Act making appropriations for the naval service for the fiscal year 1920, approved July 11, 1919 (34 U. S. C. 600); and other necessary and incidental expenses; in all, \$1,290,460: *Provided*, That no part of any appropriation contained in this Act shall be available for the expense of any naval district in which there may be an active navy yard, naval training station, or naval operating base, unless the commandant of the naval district shall be also the commandant of one of such establishments: *Provided further*, That the sum to be paid out of this appropriation for employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department shall not exceed \$515,000.

#### CONTINGENT, NAVY

Contingent, Navy. For all emergencies and extraordinary expenses, exclusive of personal services, in the Navy Department or any of its subordinate bureaus or offices at Washington, District of Columbia, arising at home or abroad, but impossible to be anticipated or classified, to be expended on the approval and authority of the Secretary of the Navy, and for such purposes as he may deem proper, and for examination of estimates for appropriations and of naval activities in the field for any branch of the naval service, \$20,000, of which \$2,500 shall be available immediately.

Lepers, etc.

#### CARE OF LEPERS, AND SO FORTH, ISLAND OF GUAM

Care, etc., Guam  
and Cullion, P. I.

Naval station, Island of Guam: For maintenance and care of lepers, special patients, and for other purposes, including cost of transfer of lepers from Guam to the island of Cullion, in the Philippines, and their maintenance, \$20,000; for educational purposes, \$15,000; in all, \$35,000.

#### NAVAL RESEARCH LABORATORY

Naval Research  
Laboratory.

For laboratory and research work and other necessary work of the Naval Research Laboratory for the benefit of the naval service, including operation and maintenance of a laboratory, additions to equipment necessary properly to carry on work in hand, maintenance of buildings and grounds, temporary employment of such scientific and technical civilian assistants as may become necessary, and subscriptions to technical periodicals, to be expended under the direc-

tion of the Secretary of the Navy, \$335,000: *Provided*, That \$50,000 of this appropriation shall be available for the temporary employment of civilian scientists and technicians required on special problems: *Provided further*, That the sum to be paid out of this appropriation for employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department shall not exceed \$125,000, in addition to the amount authorized by the preceding proviso.

*Provisos.*  
Temporary employment of scientists, etc.

Group IV (b) employees.

#### OPERATION AND CONSERVATION OF NAVAL PETROLEUM RESERVES

To enable the Secretary of the Navy to carry out the provisions contained in the Act approved June 4, 1920 (34 U. S. C. 524), requiring him to conserve, develop, use, and operate the naval petroleum reserves, \$59,500, of which amount not to exceed \$20,000 shall be available for employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department: *Provided*, That out of any sums appropriated for naval purposes by this Act any portion thereof, not to exceed \$10,000,000, shall be available to enable the Secretary of the Navy to protect Naval Petroleum Reserve Numbered 1, established by Executive order of September 2, 1912, pursuant to the Act of June 25, 1910 (43 U. S. C. 141-143), by drilling wells and performing any work incident thereto, of which amount not to exceed \$100,000 shall be available for employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department: *Provided further*, That no part of the sum made available for the protection of this property shall be expended if a satisfactory agreement can be made with adjoining landowners not to drill offset wells for the purpose of producing oil.

Naval petroleum reserves.

Conservation and operation.  
41 Stat. 813.  
34 U. S. C. § 524.

Group IV (b) employees.

*Provisos.*  
Protective work on Reserve No. 1.

. 36 Stat. 847.  
43 U. S. C. §§ 141-143.

Group IV (b) employees.

Agreement with adjoining landowners not to drill offset wells.

#### NAVAL PRISON FARMS AND PRISON PERSONNEL

For the operation, maintenance, and improvement of naval prison farms and for the welfare, recreation, and education of prison personnel, to be expended under such regulations as the Secretary of the Navy may prescribe, \$12,000: *Provided*, That expenditures hereunder shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

Naval prison farms and prison personnel.  
Operation, etc.

*Proviso.*  
Limitation on expenditures.  
48 Stat. 1227.  
31 U. S. C. § 725c.

#### BUREAU OF NAVIGATION

##### TRAINING, EDUCATION, AND WELFARE, NAVY

Naval War College: For maintenance and operation, including repairs, improvements, and care of grounds; services of a professor of international law, \$2,000; services of lecturers, \$2,000; and other civilian services; library expenses, including the purchase, binding, and repair of books and periodicals and subscriptions to newspapers and periodicals; and including contingencies of the president of the Naval War College, to be expended in his discretion, not exceeding \$1,000; and for other necessary expenses, \$124,500;

Naval training stations: For maintenance, operation, and other necessary expenses, including repairs, improvements, and care of grounds of the naval training stations which follow:

San Diego, California, \$160,359;

Newport, Rhode Island, \$152,000;

Bureau of Navigation.

Training, education, and welfare.  
Naval War College, maintenance, etc.

Naval training stations.



	Great Lakes, Illinois, \$256,500; Norfolk, Virginia, \$268,500;
Fleet training, gunnery, etc., prizes.	Fleet training: For trophies and badges for excellence in gunnery, target practice, communication, engineering exercises, and for economy in fuel consumption, to be awarded under such rules as the Secretary of the Navy may formulate; for the purpose of recording, classifying, compiling, and publishing the rules and results; for the establishment and maintenance of shooting galleries, target houses, targets, and ranges; for hiring established ranges, and for transporting equipment to and from ranges; entrance fees in matches for the rifle team, and special equipment therefor, \$55,690;
Instruction.	Instruction: For postgraduate instruction of officers in other than civil government and literature, including such amounts as may be necessary to carry out the provisions of the Act approved January 16, 1936 (Public Act Numbered 417, Seventy-fourth Congress), and for special instruction, education, and individual training of officers and enlisted men at home and abroad, including maintenance of students abroad, except aviation training and submarine training otherwise appropriated for, \$209,000: <i>Provided</i> , That no part of this or any other appropriation contained in this Act shall be available for or on account of any expense incident to giving special educational courses or postgraduate instruction to officers with view to qualifying them or better qualifying them for the performance of duties required to be performed by or in pursuance of law by officers of the Supply Corps, Construction Corps, or Corps of Civil Engineers, except present students and except such officers who are commissioned in such corps or who have not been commissioned in the line of the Navy more than three years and four months prior to the commencement of such educational courses or postgraduate instruction;
Retirement annuities. 49 Stat. 1092. 34 U. S. C., Supp. III, §§ 1073-1073e.	
<i>Proviso.</i> Restriction on special educational courses.	
Exception.	
Libraries.	Libraries: For libraries, professional books, textbooks, religious books, periodicals, and newspaper subscriptions for ships and shore stations not otherwise appropriated for, \$60,000;
Welfare and recreation.	Welfare and recreation: For welfare and recreation of the Navy, including periodicals and newspaper subscriptions, and not exceeding \$4,000 for care and operation of schools at naval stations at Guantanamo Bay, Guam, and Tutuila, for the children of Naval and Marine Corps commissioned, enlisted, and civilian personnel, to be expended in the discretion of the Secretary of the Navy, under such regulations as he may prescribe, \$280,000;
Naval Reserve Officers' Training Corps.  43 Stat. 1276; 50 Stat. 563. 34 U. S. C. § 821; Supp. III, § 821. <i>Proviso.</i> Uniforms, equipment, etc.	Naval Reserve Officers' Training Corps: For all expenses incident to the conduct of the Naval Reserve Officers' Training Corps under such regulations as the President has prescribed or hereafter may prescribe under the provisions of section 22 of the Act approved March 4, 1925 (34 U. S. C. 821), as amended by the Act of August 6, 1937 (50 Stat. 563-564), \$134,434: <i>Provided</i> , That uniforms and other equipment or material issued to the Naval Reserve Officers' Training Corps in accordance with law may be furnished from surplus or reserve stocks of the Navy without payment under this appropriation, except for actual expenses incurred in the manufacture or issue;
Total. <i>Proviso.</i> Group IV (b) employees.	In all, training, education, and welfare, Navy, \$1,700,983: <i>Provided</i> , That the sum to be paid out of this appropriation for employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department, exclusive of temporary services, shall not exceed the following amounts, respectively: Naval War College, \$77,000; Naval
Limitations.	

Training Station, San Diego, \$3,050; Naval Training Station, Newport, \$7,700; Naval Training Station, Great Lakes, \$12,350; Naval Training Station, Norfolk, \$2,100; Instruction, \$20,345; Libraries, \$19,115; Welfare and Recreation, \$4,000.

#### STATE MARINE SCHOOLS, ACT OF MARCH 4, 1911

To reimburse the State of California, \$25,000; the State of Massachusetts, \$25,000; the State of New York, \$25,000; and the State of Pennsylvania, \$25,000, for expenses incurred in the maintenance and support of marine schools in such States as provided in the Act authorizing the establishment of marine schools, and so forth, approved March 4, 1911 (34 U. S. C. 1121), and for the maintenance and repair of the particular vessels loaned by the United States to the said States on the date of the approval of this Act for use in connection with such State marine schools, \$90,000, and no other vessels shall be furnished by or through the Navy Department; in all, \$190,000.

State Marine  
Schools.

Reimbursement of  
designated States for  
expenses.

36 Stat. 1353.  
34 U. S. C. § 1121.  
Maintenance, etc.,  
of vessels loaned.

#### INSTRUMENTS AND SUPPLIES, BUREAU OF NAVIGATION

For supplies for seamen's quarters; and for the purchase of all other articles of equipage at home and abroad; and for the payment of labor in equipping vessels therewith and manufacture of such articles in the several navy yards; all pilotage and towage of ships of war; canal tolls, wharfage, dock and port charges, and other necessary incidental expenses of a similar nature; hire of launches or other small boats in Asiatic waters; quarantine expenses; services and materials in repairing, correcting, adjusting, and testing compasses on shore and on board ship; nautical and astronomical instruments and repairs to same; compasses; compass fittings including binnacles, tripods, and other appendages of ship's compasses; logs and other appliances for measuring the ship's way and leads and other appliances for sounding; photographs, photographic instruments and materials, printing outfit and materials; music and musical instruments; commissions, warrants, diplomas, discharges, good-conduct badges, and medals for men and boys; transportation of effects of deceased officers, nurses, and enlisted men of the Navy, and of officers and men of the Naval Reserve who die while on duty; not to exceed \$5,000 for contingent expenses and emergencies arising under cognizance of the Bureau of Navigation, unforeseen and impossible to classify; and for the necessary civilian electricians for gyrocompass testing and inspection, \$700,000: *Provided*, That the sum to be paid out of this appropriation for employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department shall not exceed \$38,000.

Instruments and  
supplies.

*Proviso.*  
Group IV (b) em-  
ployees.

#### OCEAN AND LAKE SURVEYS, BUREAU OF NAVIGATION

For hydrographic surveys, including the pay of the necessary hydrographic surveyors, cartographic draftsmen, and recorders, and for the purchase of nautical books, charts, and sailing directions, \$80,000: *Provided*, That the sum to be paid out of this appropriation for employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department shall not exceed \$34,000.

Ocean and lake sur-  
veys.

*Proviso.*  
Group IV (b) em-  
ployees.

## Naval Reserve.

## NAVAL RESERVE

Organizing, recruiting, etc., and Naval Militia.

Fleet Naval Reserve, subsistence.

Pay, mileage, etc.

Flight training.

Sum reappropriated.  
50 Stat. 100.

Armories, wharfage, etc.  
Group IV (b) employees.

Aviation material, hangars, etc.

*Provisos.*  
Reserve officers performing active duty.

Limitation.

For expenses of organizing, administering, and recruiting the Naval Reserve and Naval Militia, including the designing, purchasing, and engraving of trophies; pay and allowances of officers and enlisted men of the Naval Reserve when employed on authorized training duty; mileage for officers while traveling under orders to and from training duty; transportation of enlisted men to and from training duty, with or without pay, and subsistence and transfers en route, or cash in lieu thereof; subsistence of enlisted men during the actual period of training duty, with or without pay; subsistence of officers of the Fleet Naval Reserve while performing authorized training or other duty without pay; pay, mileage, and allowances of officers of the Naval Reserve and pay, allowances, subsistence, and transportation with subsistence and transfers en route, or cash in lieu thereof of enlisted men of the Naval Reserve when ordered to active duty in connection with the instruction, training, and drilling of the Naval Reserve; pay and allowances, including travel and other allowances as authorized by law (excluding clothing and small-stores issues and uniform gratuities), of aviation cadets of the Naval Reserve when ordered to active duty, including active duty undergoing training; pay of officers and enlisted men of the Fleet Naval Reserve for the performance of not to exceed forty-eight drills per annum or other equivalent instruction or duty, or appropriate duties, and administrative duties, exclusive, however, of pay, allowances, or other expenses on account of members of any class of the Naval Reserve incident to their being given flight training unless, as a condition precedent, they shall have been found by such agency as the Secretary of the Navy may designate physically and psychologically qualified to serve as pilots of naval aircraft, \$8,790,320, and, in addition, \$371,000 of the appropriation "Organizing the Naval Reserve, 1938," such amount of such appropriation being hereby reappropriated, and of the total of such amounts not more than \$150,000 shall be available for maintenance and rental of armories, including pay of necessary janitors, and for wharfage; not more than \$81,000 shall be available for employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department; not less than \$3,063,032 shall be available, in addition to other appropriations, for aviation material, equipment, fuel, and rental of hangars, and not more than \$397,914 shall be available, in addition to other appropriations, for fuel and the transportation thereof, and for all other expenses in connection with the maintenance, operation, repair, and upkeep of vessels assigned for training the Naval Reserve, and of such total sum \$6,455,265 shall be available exclusively for and on account of Naval and Marine Corps Reserve aviation: *Provided*, That, except in time of war or during the existence of a national emergency declared by the President, no appropriation contained in this Act shall be available to pay more than twenty officers of the Naval Reserve and one officer of the Marine Corps Reserve above the grade of lieutenant or captain, respectively, the pay and allowances of their grade for the performance of active duty other than the performance of drills or other equivalent instruction or duty, or appropriate duties and the performance of fifteen days' active training duty, and other officers above such grades employed on such class of active duty (not to exceed four months in any calendar year) shall not be entitled to be paid a greater rate of pay and allowances

than authorized by law for a lieutenant of the Navy or a captain of the Marine Corps entitled to not exceeding ten years' longevity pay: *Provided further*, That no appropriation made in this Act shall be available for pay, allowances, or traveling or other expenses of any officer or enlisted man of the Naval or Marine Corps Reserve who may be drawing a pension, disability allowance, disability compensation, or retired pay from the Government of the United States; and "retired pay" as here used shall not include the pay of transferred members of such reserve forces.

Pay, allowances,  
etc., restrictions.

#### NAVAL ACADEMY

#### Naval Academy.

Pay, Naval Academy: For pay of professors and instructors, including one professor as librarian, and such amounts as may be necessary to carry out the provisions of the Act approved January 16, 1936 (49 Stat., pp. 1092, 1093), \$292,966: *Provided*, That this appropriation shall not be available for the employment of more than nine masters and instructors in swordsmanship and physical training.

Pay of professors,  
etc.  
Annuities.  
49 Stat. 1092.  
34 U. S. C., Supp.  
III, §§ 1073-1073e.  
*Proviso.*  
Swordsmanship  
etc., instruction.

For pay of other employees, \$611,600: *Provided*, That the sum to be paid out of this appropriation for employees assigned to group IV (b) and those performing similar services carried under native and alien schedules, in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department, shall not exceed \$257,677.

Other employees.  
*Proviso.*  
Group IV (b) em-  
ployees.

Current and miscellaneous expenses, Naval Academy: For text and reference books for use of instructors; stationery, blank books and forms, models, maps, newspapers, and periodicals; apparatus and materials for instruction in physical training and athletics; expenses of lectures and entertainments, not exceeding \$3,000, including pay and expenses of lecturers and visiting clergymen; chemicals, philosophical apparatus and instruments, stores, machinery, tools, fittings, apparatus, materials for instruction purposes, and purchase of and engraving of trophies and badges, \$50,600; for purchase, binding, and repair of books for the library (to be purchased in the open market on the written order of the superintendent), \$5,500; for expenses of the Board of Visitors to the Naval Academy, \$1,200; for contingencies for the Superintendent of the Academy, to be expended in his discretion, not exceeding \$4,000; for contingencies for the commandant of midshipmen, to be expended in his discretion, not exceeding \$1,200; in all, \$62,500, to be accounted for as one fund.

Current, etc., ex-  
penses.

Lectures, etc.

Books; purchase, re-  
pair, etc.

Board of Visitors.

Maintenance and repairs, Naval Academy: For necessary repairs of public buildings, wharves, and walls enclosing the grounds of the Naval Academy, accident prevention, improvements, repairs, and fixtures; for books, periodicals, maps, models, and drawings; purchase and repair of fire engines; fire apparatus and plants, machinery; purchase and maintenance of all horses and horse-drawn vehicles for use at the academy, including the maintenance, operation, and repair of three horse-drawn passenger-carrying vehicles to be used only for official purposes; seeds and plants; tools and repairs of the same; stationery; furniture for Government buildings and offices at the academy, including furniture for midshipmen's rooms; coal and other fuels; candles, oil, and gas; attendance on light and power plants; cleaning and clearing up station and care of buildings; attendance on fires, lights, fire engines, fire apparatus, and plants, and telephone, telegraph, and clock systems; incidental labor, advertising, water tax, postage, telephones, telegrams, tolls, and ferriage; flags and awnings; packing boxes; pay of inspectors and draftsmen; and music and astronomical instruments, \$1,062,566, of which \$2,000 shall be available exclusively on account of the collection of ship models bequeathed

Maintenance and  
repairs.

Horses, vehicles, etc.

Furniture.

Ship models.

*Proviso.*  
Group IV (b) em-  
ployees.

Additional well, con-  
struction.

Naval Home, Phila-  
delphia, Pa.

Employees.  
*Proviso.*  
Group IV (b) em-  
ployees.

Maintenance.

Employment of  
beneficiaries.

Total.

Bureau of Engineer-  
ing.

Repairs, preserva-  
tion of machinery, etc.  
*Post, p. 1140.*

Exceptions.

Equipage, supplies,  
etc.

Field force.

Annapolis, Md., en-  
gineering experiment  
station.

by the late Henry H. Rogers: *Provided*, That the sum to be paid out of this appropriation for employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department shall not exceed \$26,180; and \$14,000 shall be immediately available for the construction of an additional well at the Naval Academy.

#### NAVAL HOME, PHILADELPHIA, PENNSYLVANIA

For pay of employees, \$100,120: *Provided*, That the sum to be paid out of this appropriation for employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department shall not exceed \$13,800;

Maintenance: For water rent, heating, and lighting; cemetery, burial expenses, and headstones; general care and improvements of grounds, buildings, walls, and fences; repairs to power-plant equipment, implements, tools, and furniture, and purchase of the same; music in chapel and entertainment for beneficiaries; stationery, books, and periodicals; transportation of indigent and destitute beneficiaries to the Naval Home, and of sick and insane beneficiaries, their attendants and necessary subsistence for both, to and from other Government hospitals; employment of such beneficiaries in and about the Naval Home as may be authorized by the Secretary of the Navy, on the recommendation of the governor; support of beneficiaries and all other contingent expenses, including the maintenance, repair, and operation of two motor-propelled vehicles, and one motor-propelled passenger-carrying vehicle to be used only for official purposes, \$99,880;

In all, Naval Home, \$200,000.

#### BUREAU OF ENGINEERING

##### ENGINEERING

For repairs, preservation, and renewal of machinery, auxiliary machinery, and boilers of naval vessels, yard craft, and ships' boats, distilling and refrigerating apparatus; repairs, preservation, and renewals of electric interior and exterior signal communications and all electrical appliances of whatsoever nature on board naval vessels, except range finders, battle order and range transmitters and indicators, and motors and their controlling apparatus used to operate machinery belonging to other bureaus; searchlights and fire-control equipments for antiaircraft defense at shore stations; maintenance and operation of coast signal service; equipage, supplies, and materials under the cognizance of the Bureau required for the maintenance and operation of naval vessels, yard craft, and ships' boats; purchase, installation, repair, and preservation of machinery, tools, and appliances in navy yards and stations, accident prevention, pay of classified field force under the Bureau; incidental expenses for naval vessels, navy yards, and stations, inspectors' offices, the engineering experiment station, such as photographing, technical books and periodicals, stationery, and instruments; services, instruments, machines and auxiliaries, apparatus and supplies, and technical books and periodicals necessary to carry on experimental and research work; maintenance and equipment of buildings and grounds at the engineering experiment station, Annapolis, Maryland; payment of part time or intermittent employment in the District of Columbia or elsewhere of such scientists and technicians as may be contracted for by

the Secretary of the Navy, in his discretion, at a rate of pay not exceeding \$20 per diem for any persons so employed; in all, \$24,637,000, and, in addition, \$500,000 of the appropriation "Engineering, Bureau of Engineering, 1938," such amount of such appropriation being hereby reappropriated, and of the total of such amounts \$400,000 shall be available immediately: *Provided*, That the sum to be paid out of this appropriation for employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department shall not exceed \$1,960,000.

Amount reappropriated.  
50 Stat. 102.

*Proriso.*  
Group IV (b) employees.

## BUREAU OF CONSTRUCTION AND REPAIR

Bureau of Construction and Repair.

For designing naval vessels, including services, instruments, apparatus, and materials necessary for experimental and research work; payment of part-time or intermittent employment in the District of Columbia, or elsewhere, of such scientists and technicians as may be contracted for by the Secretary of the Navy, in his discretion, at a rate of pay not exceeding \$20 per diem for any person so employed; maintenance, repairs, and alterations of vessels; care and preservation of vessels out of commission; docking of vessels; salvage and salvage services for naval floating property; construction and repair of district and yard craft; purchase and manufacture of equipage, appliances, supplies, and materials at home and abroad as required for the maintenance, repair, alteration, and operation of naval vessels and district and yard craft; carrying on work of the experimental model basin and wind tunnel; tools and appliances for all purposes in navy yards and naval stations; labor in navy yards and naval stations and elsewhere at home and abroad; accident prevention; pay of classified field force, including employees in material inspection and superintending constructors' offices; incidental expenses at navy yards and naval stations and in material inspection and superintending constructors' offices such as photographing, technical and professional books and magazines, plans, stationery, drafting instruments, and other materials, \$21,544,590: *Provided*, That the sum to be paid out of this appropriation for employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department shall not exceed \$1,890,000.

Designing of naval vessels, etc.  
*Post*, p. 1140.

Maintenance, etc., of vessels.

Equipage, supplies, etc.

Field force.

*Proriso.*  
Group IV (b) employees, etc.

## BUREAU OF ORDNANCE

Bureau of Ordnance.

### ORDNANCE AND ORDNANCE STORES, BUREAU OF ORDNANCE

For procuring, producing, preserving, and handling ordnance material for the armament of ships; for the purchase and manufacture of torpedoes and appliances; for the purchase and manufacture of smokeless powder; for fuel, material, and labor to be used in the general work under the cognizance of the Bureau of Ordnance; for furniture at naval ammunition depots, torpedo stations, naval ordnance plants, and proving grounds; for technical books; plant appliances as now defined by the "Navy Classification of Accounts"; for machinery and machine tools; for accident prevention; for experimental work in connection with the development of ordnance material for the Navy; for maintenance of proving grounds, powder factory, torpedo stations, gun factory, ammunition depots, and naval ordnance plants, and for target practice; not to exceed \$15,000 for minor improvements to buildings, grounds, and appurtenances of a character which can be performed by regular station labor; for payment of part-time or intermittent employment in the District of

Ordnance and ordnance stores.

Procuring, preserving, etc.

Fuel, material, and labor.

Experimental work.

Scientists, etc.

Columbia, or elsewhere, of such scientists and technicians as may be contracted for by the Secretary of the Navy in his discretion at a rate of pay not exceeding \$20 per diem for any person so employed; for the maintenance, repair, and operation of horse-drawn and motor-propelled freight and passenger-carrying vehicles, to be used only for official purposes at naval ammunition depots, naval proving grounds, naval ordnance plants, and naval torpedo stations; for the pay of chemists, clerical, drafting, inspection, and messenger service in navy yards, naval stations, naval ordnance plants, and naval ammunition depots, and for care and operation of schools at ordnance stations at Indianhead, Maryland; Dahlgren, Virginia; and South Charleston, West Virginia, \$26,849,600: *Provided*, That the sum to be paid out of this appropriation for employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department shall not exceed \$1,380,000.

Bureau of Supplies  
and Accounts.

## BUREAU OF SUPPLIES AND ACCOUNTS

### PAY, SUBSISTENCE, AND TRANSPORTATION OF NAVAL PERSONNEL

Pay of naval personnel.

Aerial flights, increased pay; restriction.

Rent and subsistence.

Retired officers.  
Hire of quarters.

Enlisted men on retired list.

Prizes, etc.

Outfits, clothing, etc.

Reimbursement for certain losses.

Nurse Corps.

Pay of naval personnel: For pay and allowances prescribed by law of officers on sea duty and other duty, and officers on waiting orders, pay—\$35,457,649, including not to exceed \$1,716,318 for increased pay for making aerial flights, no part of which shall be available for increased pay for making aerial flights by any officer above the rank of captain, except not more than one officer of the rank of rear admiral, nor by nonflying officers or observers at a rate in excess of \$1,440 per annum, which shall be the legal maximum rate as to such nonflying officers or observers; rental allowance, \$7,433,907; subsistence allowance, \$4,476,922; in all, \$47,368,478; officers on the retired list, \$9,414,000; for hire of quarters for officers serving with troops where there are no public quarters belonging to the Government, and where there are not sufficient quarters possessed by the United States to accommodate them, and hire of quarters for officers and enlisted men on sea duty at such times as they may be deprived of their quarters on board ship due to repairs or other conditions which may render them uninhabitable, \$6,525; pay of enlisted men on the retired list, \$8,599,950; interest on deposits by men, \$3,000; pay of petty officers (not to exceed an average of eight thousand six hundred and twenty-three chief petty officers, of which number those with a permanent appointment as chief petty officer shall not exceed an average of seven thousand five hundred and thirty-two), seamen, landsmen, and apprentice seamen, including men in the engineer's force and men detailed for duty with the Bureau of Fisheries, enlisted men, men in trade schools, pay of enlisted men of the Hospital Corps, extra pay for men for diving, and cash prizes (not to exceed \$107,785) for men for excellence in gunnery, target practice, communication, and engineering competitions, \$92,927,315; outfits for all enlisted men and apprentice seamen of the Navy on first enlistment, civilian clothing not to exceed \$15 per man to men given discharges for bad conduct or undesirability or inaptitude, reimbursement in kind of clothing to persons in the Navy for losses in cases of marine or aircraft disasters or in the operation of water- or air-borne craft, and the authorized issue of clothing and equipment to the members of the Nurse Corps, \$1,939,355; pay of enlisted men undergoing sentence of court martial, \$35,445, and as many machinists as the President may from time to time deem necessary to appoint; pay and allowances of the Nurse Corps, including assistant super-

intendents, directors, and assistant directors—pay, \$560,020; rental allowance, \$24,000; subsistence allowance, \$23,871; pay retired list, \$271,976; in all, \$879,867; rent of quarters for members of the Nurse Corps; pay and allowances of transferred and assigned men of the Fleet Naval Reserve, \$15,507,347; reimbursement for losses of property as provided in the Act approved October 6, 1917 (34 U. S. C. 981, 982), as amended by the Act of March 3, 1927 (34 U. S. C. 983), \$10,000; payment of six months' death gratuity, \$150,000; in all, \$176,841,282; and no part of such sum shall be available to pay active-duty pay and allowances to officers in excess of nine on the retired list, except retired officers temporarily ordered to active duty as members of retiring and selection boards as authorized by law: *Provided*, That, except for the public quarters occupied by the Chief of Office of Naval Operations, the Superintendent of the Naval Academy, and the Commandant of the Marine Corps, and messes temporarily set up on shore for officers attached to seagoing vessels, to aviation units based on seagoing vessels including officers' messes at the fleet air bases, and to landing forces and expeditions, and in addition not to exceed forty in number at such places as shall be designated by the Secretary of the Navy, no appropriation contained in this Act shall be available for the pay, allowances, or other expenses of any enlisted man or civil employee performing service in the residence or quarters of an officer or officers on shore as a cook, waiter, or other work of a character performed by a household servant, but nothing herein shall be construed as preventing the voluntary employment in any such capacity of a retired enlisted man or a transferred member of the Fleet Naval Reserve without additional expense to the Government, nor the sale of meals to officers by general messes on shore as regulated by detailed instructions from the Navy Department;

Subsistence of naval personnel: For provisions and commuted rations for enlisted men of the Navy, which commuted rations may be paid to caterers of messes in case of death or desertion, upon orders of the commanding officers, at 50 cents per diem, and midshipmen at 75 cents per diem, and commuted rations stopped on account of sick in hospital and credited at the rate of 70 cents per ration to the naval hospital fund; subsistence of men unavoidably detained or absent from vessels to which attached under orders (during which subsistence rations to be stopped on board ship and no credit for commutation therefor to be given); quarters and subsistence of men on detached duty; subsistence of members of the Naval Reserve during period of active service; subsistence in kind at hospitals and on board ship in lieu of subsistence allowance of female nurses and Navy and Marine Corps general courts-martial prisoners undergoing imprisonment with sentences of dishonorable discharge from the service at the expiration of such confinement; in all, \$21,557,059;

Transportation and recruiting of naval personnel: For mileage and actual and necessary expenses and per diem in lieu of subsistence as authorized by law to officers of the Navy while traveling under orders, including the cost of a compartment or such other accommodations, as may be authorized by the Secretary of the Navy, for security when secret documents are transported by officer messenger, and including not to exceed \$5,000 for the expenses of attendance, at home and abroad, upon meetings of technical, professional, scientific, and other similar organizations, when, in the judgment of the Secretary of the Navy, such attendance would be of benefit in the conduct of the work of the Navy Department; for mileage, at 5 cents per mile, to midshipmen entering the Naval Academy while proceeding from their homes to the Naval Academy for examination and

Fleet Naval Reserve.  
Property losses.  
40 Stat. 389; 44 Stat. 1368.  
34 U. S. C. §§ 981-983.

Active duty pay, etc., to retired officers; restriction.

*Proviso.*  
Enlisted men ashore as household servants.

Voluntary, etc., services.

Sale of meals to officers.

Subsistence of naval personnel.

Unavoidable absences.

Detached duty.  
Naval Reserve.

Transportation and recruiting.

Attendance at meetings.

Midshipmen, etc.



appointment as midshipmen, and not more than \$2,500 shall be available for transportation of midshipmen, including reimbursement of traveling expenses while traveling under orders, after appointment as midshipmen; for actual traveling expenses of female nurses; for travel allowance or for transportation and subsistence as authorized by law of enlisted men upon discharge; transportation of enlisted men and apprentice seamen and applicants for enlistment at home and abroad, with subsistence and transfers en route, or cash in lieu thereof; transportation to their home, if residents of the United States, of enlisted men and apprentice seamen discharged on medical survey, with subsistence and transfers en route, or cash in lieu thereof; transportation of sick or insane enlisted men and apprentice seamen and insane supernumerary patients to hospitals, with subsistence and transfers en route, or cash in lieu thereof; apprehension and delivery of deserters and stragglers, and for railway, steamship, and airway guides and other expenses incident to transportation; expenses of recruiting for the naval service; rent of rendezvous and expenses of maintaining the same; advertising for and obtaining men and apprentice seamen; actual and necessary expenses in lieu of mileage to officers on duty with traveling recruiting parties; transportation of dependents of officers and enlisted men, \$992,486; expenses of funeral escorts of naval personnel; actual expenses of officers and midshipmen while on shore-patrol duty, including the hire of automobiles when necessary for the use of shore-patrol detachment; in all, \$5,642,411;

*In all, for pay, subsistence, and transportation of naval personnel, including members of the Naval Reserve when called to active duty in time of war or during the existence of a national emergency declared by the President, \$200,940,752, plus \$3,100,000 of the appropriation "Pay, subsistence, and transportation, Navy, 1938", such amount of such appropriation being hereby reappropriated, and of the total of such amounts \$1,000,000 shall be available immediately, and the money herein specifically appropriated for "Pay, subsistence, and transportation of naval personnel" shall be disbursed and accounted for in accordance with existing law and shall constitute one fund: *Provided*, That additional commissioned, warranted, appointed, enlisted, and civilian personnel of the Medical Department of the Navy, required for the care of patients of the United States Veterans' Administration in naval hospitals, may be employed in addition to the numbers appropriated for in this Act: *Provided further*, That no part of this appropriation shall be available for the pay of any midshipmen whose admission subsequent to January 30, 1938, would result in exceeding at any time an allowance of four midshipmen for each Senator, Representative, and Delegate in Congress; of one midshipman for Puerto Rico, a native of the island, appointed on nomination of the Governor, and of four midshipmen from Puerto Rico appointed on nomination of the Resident Commissioner; and of four midshipmen from the District of Columbia: *Provided further*, That nothing herein shall be construed to repeal or modify in any way existing laws relative to the appointment of midshipmen at large, from the enlisted personnel of the naval service, from the Naval Reserve, from honor graduates of military schools or Naval Reserve Officers' Training Corps: *Provided further*, That no part of this appropriation shall be available for the pay of any midshipman appointed from enlisted men of the Navy for admission to the Naval Academy in the class entering in the calendar year 1939 who has not served aboard a vessel of the Navy in full commission for at least nine months prior to such admission.*

*Enlisted men, etc.*  
*Apprehension of deserters, etc.*  
*Recruiting.*  
*Transportation of dependents.*  
*Funeral escorts.*  
*Sumreappropriated.*  
*50 Stat. 106.*  
*Amount immediately available.*  
*Accounting.*  
*Provisos.*  
*Additional medical detail, Veterans' Administration patients in naval hospitals.*  
*Restrictions on admissions to Naval Academy after January 30, 1938.*  
*Appointments at large, from enlisted men, etc.*  
*Sea service requirements of appointees from enlisted men.*

## MAINTENANCE, BUREAU OF SUPPLIES AND ACCOUNTS

For equipage, supplies, and services under the cognizance of the Bureau of Supplies and Accounts, including stationery for commanding, executive, communication, and navigating officers of ships, boards and courts on ships, and chaplains; commissions, interest, and exchange; ferriage and bridge tolls, including streetcar fares; rent of buildings and offices not in navy yards except for use of naval attachés and recruiting officers; accident prevention; services of civilian employees under the cognizance of the Bureau of Supplies and Accounts; freight, express, and parcel-post charges, including transportation of funds and cost of insurance on shipments of money when necessary; for transportation on Government-owned vessels, notwithstanding the provisions of other law, of privately owned automobiles of Regular Navy and Marine Corps personnel upon change of station, and ice for cooling drinking water on shore (except at naval hospitals and shops at industrial navy yards), pertaining to the Navy Department and Naval Establishment, \$10,018,128, of which amount \$500,000 shall be available immediately: *Provided*, That no part of this or any other appropriation contained in this Act shall be available for or on account of the supply or replacement of table linen, dishes, glassware, silver, and kitchen utensils for use in the residences or quarters of officers on shore, except for messes temporarily set up on shore for officers attached to seagoing vessels, to aviation units based on seagoing vessels, to the fleet air bases, or to landing forces and expeditions: *Provided further*, That the sum to be paid out of this appropriation for employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department shall not exceed \$4,700,000: *Provided further*, That, without deposit to the credit of the Treasurer of the United States and withdrawal on money requisitions, receipts of public moneys from sales or other sources by officers of the Navy and Marine Corps on disbursing duty and charged in their official accounts may be used by them as required for current expenditures, all necessary bookkeeping adjustments of appropriations, funds, and accounts to be made in the settlement of their disbursing accounts.

Maintenance.

*Provisos.*  
Supply or replacement of kitchen, etc., ware for officers' quarters ashore forbidden.

Group IV (b) employees.

Use of certain receipts for current expenditures; accounting.

## CLOTHING, NAVAL RESERVE

The clothing and small-stores fund shall be charged with the value of all issues of clothing and small stores made to aviation cadets and enlisted men of the Naval Reserve and the uniform gratuity paid to officers and aviation cadets of the Naval Reserve.

Clothing and small stores, Naval Reserve.

## NAVAL SUPPLY ACCOUNT FUND

To increase the Naval Supply Account Fund established by the Act approved March 1, 1921 (31 U. S. C. 644), an amount not to exceed such sum or sums as may be deposited from time to time in the Treasury during the fiscal year ending June 30, 1939, to the credit of "Miscellaneous receipts", realized from the sale of old material, condemned stores, supplies, or other surplus public property of any kind belonging to the Navy Department and not otherwise reappropriated.

Naval Supply Account Fund.  
41 Stat. 1169.  
31 U. S. C. § 644.

## STRATEGIC AND CRITICAL MATERIALS

For the procurement and transportation of strategic and critical materials, \$500,000, to remain available until expended: *Provided*, That materials acquired hereunder shall not be issued for current

Strategic and critical materials.

Procurement and transportation.  
*Provisos.*  
Use restricted.

Determination of. use in time of peace without the approval of the Secretary of the Navy, except that materials acquired under this title may be issued for current use when replaced by materials purchased from current appropriations: *Provided further*, That for the purposes of this paragraph, the Secretary of the Navy shall determine what materials are strategic and critical.

#### FUEL AND TRANSPORTATION, BUREAU OF SUPPLIES AND ACCOUNTS

Fuel and transportation.

*Provisos.*  
Issue to be charged to applicable appropriation.

Use of fuel on hand.

For coal and other fuel for submarine bases and steamers' and ships' use, including expenses of transportation, storage, and handling the same and the removal of fuel refuse from ships; maintenance and general operation of machinery of naval fuel depots and fuel plants; water for all purposes on board naval vessels, and ice for the cooling of water, including the expense of transportation and storage of both, \$10,058,470: *Provided*, That fuel acquired other than by purchase shall not be issued without charging the applicable appropriation with the cost of such fuel at the rate current at the time of issue for fuel purchased: *Provided further*, That the President may direct the use, wholly or in part, of fuel on hand, however acquired, to be charged at the last issue rate for fuel acquired by purchase, when, in his judgment, prices quoted for supplying fuel are excessive.

Bureau of Medicine and Surgery.

#### BUREAU OF MEDICINE AND SURGERY

##### MEDICAL DEPARTMENT

Surgeons' necessities.  
Civil establishment.

Vehicles, etc.

Naval Medical Center, etc.

Care, etc., of insane on Pacific coast.

*Proviso.*  
Group IV (b) employees.

For surgeons' necessities for vessels in commission, navy yards, naval stations, and Marine Corps; and for the civil establishment at the several naval hospitals, navy yards, naval medical supply depots, Naval Medical Center, Naval Medical School and Naval Dispensary, Washington, and Naval Academy; for tolls and ferriages; purchase of books and stationery; hygienic and sanitary investigation and illustration; sanitary, hygienic, administrative, and special instruction, including the issuing of naval medical bulletins and supplements; purchase and repairs of non-passenger-carrying wagons, automobile ambulances, and harness; purchase of and feed for horses and cows; maintenance, repair, and operation of three passenger-carrying motor vehicles for Naval Dispensary, Washington, District of Columbia, and of one motor-propelled vehicle for official use only for the medical officer on out-patient medical service at the Naval Academy; trees, plants, care of grounds, garden tools, and seeds; incidental articles for the Naval Medical Center, Naval Medical School and Naval Dispensary, Washington, naval medical supply depots, sick quarters at Naval Academy and marine barracks; washing for medical department at Naval Medical Center, Naval Medical School, and Naval Dispensary, Washington, naval medical supply depots, sick quarters at Naval Academy and marine barracks, dispensaries at navy yards and naval stations, and ships; and for minor repairs on buildings and grounds of the Naval Medical School and naval medical supply depots; for the care, maintenance, and treatment of the insane of the Navy and Marine Corps on the Pacific coast, including supernumeraries held for transfer to Saint Elizabeths Hospital; for dental outfits and dental material; and all other necessary contingent expenses; in all, \$2,480,000: *Provided*, That the sum to be paid out of this appropriation for employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department shall not exceed \$135,000.

## CARE OF THE DEAD

For the care of the dead; for funeral expenses and interment or transportation to their homes or to designated cemeteries of the remains of officers and enlisted men of the Navy and Marine Corps, of members of the Nurse Corps, reservists on active or training duty, and accepted applicants for enlistment, civilian employees of the Navy Department and Naval Establishment who die outside of the continental limits of the United States, and former enlisted men who are discharged while in naval hospitals and are inmates of said hospitals on the date of their death; for funeral expenses and interment of the remains of pensioners and destitute patients who die in naval hospitals; for purchase and care of cemetery lots; for care of graves outside of the continental limits of the United States, including those in sites not owned by the United States; for removal of remains from abandoned cemeteries to naval or national cemeteries, or to their homes, including remains interred in isolated graves at home and abroad, and remains temporarily interred, \$70,000: *Provided*, That the above provision shall apply in the case of officers and enlisted men of the Navy and Marine Corps on the retired list who die while on active duty.

Care of the dead.

Interment and transportation expenses.

Civilian employees dying abroad.

*Proviso.*  
Retired officers, etc., on active duty.

## BUREAU OF YARDS AND DOCKS

## MAINTENANCE, BUREAU OF YARDS AND DOCKS

For the labor, materials, and supplies necessary, as determined by the Secretary of the Navy, for the general maintenance of the activities and properties now or hereafter under the cognizance of the Bureau of Yards and Docks, including accident prevention, and including such sum as may be necessary incident to the utilization of the Naval Station, New Orleans, Louisiana, for vessels to be placed and maintained in a decommissioned status; the purchase, maintenance, repair, and operation of passenger-carrying vehicles for the Navy Department (not to exceed ten in number) and the Naval Establishment not otherwise provided for; not to exceed \$1,550,000 for employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department, and part-time or intermittent employment in the District of Columbia, or elsewhere, of such engineers and architects as may be contracted for by the Secretary of the Navy, in his discretion, at a rate of pay not exceeding \$25 per diem for any person so employed, \$8,230,000: *Provided*, That during the fiscal year 1939 the motor-propelled passenger-carrying vehicles to be purchased hereunder shall not exceed the following respective numbers and costs: Eleven at \$1,600 each, thirty-six at \$600 each, one motorbus at \$4,500, and motortruck chassis with station-wagon-type bodies as required: *Provided further*, That expenditures from appropriations contained in this Act for the maintenance, operation, and repair of motor-propelled passenger-carrying vehicles, including the compensation of civilian chauffeurs and the compensation of any greater number than ninety enlisted men detailed to such duty, shall not exceed in the aggregate \$100,000, exclusive of such vehicles owned and operated by the Marine Corps in connection with expeditionary duty without the continental limits of the United States, motorbusses, station-wagon motortrucks, and motorcycles, and on any one vehicle, except busses and ambulances, shall not exceed for maintenance, upkeep, and repair, exclusive of garage rent, pay of opera-

Bureau of Yards and Docks.

General maintenance, etc.

New Orleans, La., naval station, utilization.

Vehicles.

Group IV (b) employees.

*Provisos.*  
Limitation on vehicle purchases.

Maintenance, operation, repair, etc.

tors, tires, fuel, and lubricants, one-third of the market price of a new vehicle of the same make or class, and in any case not more than \$400.

#### CONTINGENT, BUREAU OF YARDS AND DOCKS

Contingent expenses.

For contingent expenses and minor extensions and improvements of public works at navy yards and stations, \$140,000.

#### PUBLIC WORKS, BUREAU OF YARDS AND DOCKS

Public works, etc.

For public works and public utilities, Bureau of Yards and Docks, \$11,129,000, which, together with the unexpended balances of appropriations heretofore made under this head, shall be disbursed and accounted for in accordance with existing law and shall constitute one fund: *Provided*, That not to exceed 2½ per centum of the aggregate amount available on July 1, 1938, shall be available for the employment of classified personal services in the Bureau of Yards and Docks and in the field service to be engaged upon such work and to be in addition to employees otherwise provided for: *Provided further*, That the Secretary of the Navy is authorized to commence, continue, or complete the construction of, or make provision for, by contract or otherwise, projects heretofore authorized and appropriated for under this head, and, in addition, the following-named public works and public utilities projects at a limit of cost not to exceed the amount stated for each project enumerated, respectively:

Boston, Mass., navy yard.

Navy Yard, Boston, Massachusetts: Extension of structural shop, including accessories, service connections, and moving shop tools, \$731,500;

Mare Island, Calif., navy yard.

Navy Yard, Mare Island, California: Storehouse and accessories, \$800,000;

Fourteenth Naval District, dredging, etc.

Fourteenth Naval District: Dredging of channels and improvement of harbors, \$1,500,000; mooring facilities and accessories, \$325,000; power-plant building and accessories, \$500,000; power-plant equipment and extension of distributing systems, \$2,250,000;

Balboa, C. Z., naval station.

Naval Station, Balboa, Canal Zone: Quarters for officers at not to exceed \$10,000 per unit, \$40,000;

Annapolis, Md., radio station.

Naval Radio Station, Annapolis, Maryland: Shore protection, \$100,000;

Coco Solo, C. Z., submarine base.

Submarine Base, Coco Solo, Canal Zone: Quarters and accessories for chief petty officers, \$288,000; quarters and accessories for officers at not to exceed \$40,000 for each apartment house to accommodate four families, \$360,000;

Iona Island, N. Y., ammunition depot.

Naval Ammunition Depot, Iona Island, New York: Extension of main wharf, \$60,000;

Fort Mifflin, Pa., ammunition depot.

Naval Ammunition Depot, Fort Mifflin, Pennsylvania: Replacement of pier and fire-pump intake and dredging, \$115,000;

Norfolk, Va., air station.

Naval Air Station, Norfolk, Virginia: Barracks and mess hall for enlisted men, \$500,000; roads, walks, and service lines, \$60,000;

Pensacola, Fla., air station.

Naval Air Station, Pensacola, Florida: Improvement of power plant, \$150,000;

Coco Solo, C. Z., fleet air base.

Fleet Air Base, Coco Solo, Canal Zone: Quarters for chief petty officers, \$180,000; extension of hangar numbered 101, \$140,000;

Alameda, Calif., air station.  
49 Stat. 1901.

Naval Air Station, Alameda, California: To continue the development authorized by the Act approved June 24, 1936 (49 Stat., pp. 1901, 1902), as amended, \$4,800,000;

Washington, D. C., medical center; site and construction.

Naval Medical Center at or in the vicinity of Washington, District of Columbia: Acquisition of land and construction of buildings, including utilities, accessories, and appurtenances, as authorized by the Act approved August 16, 1937 (50 Stat. 663), \$4,850,000.

## BUREAU OF AERONAUTICS

Bureau of Aero-  
nautics.

## AVIATION, NAVY

For aviation, as follows: For navigational, photographic, aerological, radio, and miscellaneous equipment, including repairs thereto, for use with aircraft built or building on June 30, 1938, \$968,700; for maintenance, repair, and operation of aircraft factory, air stations, fleet air bases, fleet and all other aviation activities, accident prevention, testing laboratories, for overhauling of planes, and for the purchase for aviation purposes only of special clothing, wearing apparel, and special equipment, \$19,069,800, including not to exceed \$50,000 for the procurement of helium, which sum of \$50,000 shall be transferred to and made available to the Bureau of Mines on July 1, 1938, in addition to which sum the Bureau of Mines may use for helium-plant operation in the fiscal year 1939 the unexpended balance of funds transferred to it for such operation in the fiscal year 1938, and the Bureau may lease, after competition, surplus metal cylinders acquired for use as helium containers; for continuing experiments and development work on all types of aircraft, including the payment of part-time or intermittent employment in the District of Columbia or elsewhere of such scientists and technicians as may be contracted for by the Secretary of the Navy, in his discretion, at a rate of pay not exceeding \$20 per diem for any person so employed, \$2,903,500; for new construction and procurement of aircraft and equipment, spare parts and accessories, \$21,258,000, of which amount not to exceed \$15,000,000 shall be available for the payment of obligations incurred under the contract authorization carried in the Navy Appropriation Act for the fiscal year 1938; in all, \$44,200,000, and the money herein specifically appropriated for "Aviation" shall be disbursed and accounted for in accordance with existing law and shall constitute one fund: *Provided*, That the sum to be paid out of this appropriation for employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department shall not exceed \$1,716,520: *Provided further*, That in addition to the amount herein appropriated, the Secretary of the Navy may, prior to July 1, 1940, enter into contracts for the production and purchase of new airplanes and their equipment, spare parts and accessories, to an amount not in excess of \$15,000,000: *Provided further*, That the Secretary of the Treasury is authorized and directed, upon the request of the Secretary of the Navy, to transfer not to exceed in the aggregate \$50,000 from this appropriation to the appropriations "Pay, subsistence, and transportation, Navy" and "Pay, Marine Corps" to cover authorized traveling expenses of officers and enlisted men in connection with flying new airplanes from contractor's works to assigned station or ship, including travel to contractor's works and return of personnel to stations of duty, and the amount so transferred shall be in addition to any limitations contained in the appropriations "Pay, subsistence, and transportation, Navy" and "Pay, Marine Corps": *Provided further*, That no part of this appropriation shall be expended for maintenance of more than six heavier-than-air stations on the coast of the continental United States: *Provided further*, That no part of this appropriation shall be used for the construction of a factory for the manufacture of airplanes: *Provided further*, That the Secretary of the Navy is hereby authorized to consider, ascertain, adjust, determine, and pay out of this appropriation the amounts due on claims for

Designated avia-  
tion expenses.  
*Post*, p. 1142.Helium.  
*Post*, p. 329.Experiments and  
development work.New construction,  
etc.Incurred obliga-  
tions.Aggregate; account-  
ing.*Provisos*.  
Group IV (b) em-  
ployees.Contracts for new  
airplanes, etc.Transfer of sums for  
traveling expenses.Number of coast  
stations limited.Airplane factory  
construction forbid-  
den.  
Adjustment of  
damage claims.

damages which have occurred or may occur to private property growing out of the operations of naval aircraft where such claim does not exceed the sum of \$500.

## Marine Corps.

## MARINE CORPS

## PAY, MARINE CORPS

Pay, etc., officers on active list.

Aerial flights, limitation on increased pay for.

Allowances.

Retired officers.

Enlisted men, active list.

Pay of officers, active list: For pay and allowances prescribed by law for all officers on the active list—pay and allowance, \$4,155,289, including not to exceed \$248,921 for increased pay for making aerial flights, none of which shall be available for increased pay for making aerial flights by nonflying officers at a rate in excess of \$1,440 per annum, which shall be the legal maximum rate as to such nonflying officers; subsistence allowance, \$536,769; rental allowance, \$677,781; in all, \$5,369,839; and no part of such sum shall be available to pay active-duty pay and allowances to officers on the retired list;

For pay of officers prescribed by law on the retired list, \$1,706,000;

Pay of enlisted men, active list: For pay and allowances of non-commissioned officers, musicians, and privates, as prescribed by law, and for the expenses of clerks of the United States Marine Corps traveling under orders, including not to exceed \$250 for the expenses of attendance upon meetings of technical, professional, scientific, and other organizations, when, in the judgment of the Secretary of the Navy, such attendance would be of benefit in the conduct of the work of the Marine Corps, and including additional compensation for enlisted men of the Marine Corps qualified as expert riflemen, sharpshooters, marksmen, or regularly detailed as gun captains, gun pointers, cooks, messmen, including interest on deposits by enlisted men, post-exchange debts of deserters, and of men discharged or sentenced to terms of imprisonment while in debt to the United States, under such rules as the Secretary of the Navy may prescribe, and the authorized travel allowance of discharged enlisted men, and for prizes for excellence in gunnery exercises and target practices, and communication competitions, and for pay of enlisted men designated as Navy mail clerks and assistant Navy mail clerks both afloat and ashore, and for gratuities to enlisted men discharged not under honorable conditions—pay and allowances, \$8,497,513; allowance for lodging and subsistence, \$708,414; in all, \$9,205,927;

Pay and allowances.

Retired enlisted men.

Undrawn clothing.

Marine Corps Reserve.

Mileage, etc.

Aggregate; accounting.

For pay and allowances prescribed by law of enlisted men on the retired list, \$841,000;

Undrawn clothing: For payment to discharged enlisted men for clothing undrawn, \$248,400;

For pay and allowances of the Marine Corps Reserve (a) excluding transferred and assigned men, \$908,545; (b) transferred men, \$487,289; in all, \$1,395,834;

For mileage and actual and necessary expenses and per diem in lieu of subsistence as authorized by law to officers traveling under orders without troops, \$150,000;

In all, \$18,817,000, plus \$100,000 of the appropriation "Pay, Marine Corps, 1938", such amount of such appropriation being hereby reappropriated, and the money herein specifically appropriated for pay of the Marine Corps shall be disbursed and accounted for in accordance with existing law and shall constitute one fund.

## PAY OF CIVIL EMPLOYEES, MARINE CORPS

Civil force.

Pay of civil force: For personal services in the District of Columbia, as follows:

Offices of the Major General Commandant and adjutant inspector, \$130,000;

Office of paymaster, \$48,700;

Office of the quartermaster, \$137,500; in all, \$316,200: *Provided*, That the total number of enlisted men on duty at Marine Corps Headquarters on May 7, 1930, shall not be increased, and in lieu of enlisted men whose services at such headquarters shall be terminated for any cause prior to July 1, 1939, their places may be filled by civilians, for the pay of whom, in accordance with the Classification Act of 1923, as amended, either or both the appropriations "Pay, Marine Corps" and "General expenses, Marine Corps" shall be available.

*Proviso.*  
Number of enlisted men at headquarters. Vacancies to be filled by civilians.

Pay rates.  
5 U. S. C. §§ 661-674; Supp. III, §§ 673, 673c.

#### GENERAL EXPENSES, MARINE CORPS

For every expenditure requisite for, and incident to, the authorized work of the Marine Corps, other than as appropriated for under the headings of pay and salaries, as follows:

For provisions, subsistence, board, and lodging of enlisted men, recruits and recruiting parties, and applicants for enlistment; cash allowance for lodging and subsistence to enlisted men traveling on duty; ice, ice machines and their maintenance, \$2,925,860;

For clothing for enlisted men, \$1,050,000;

For fuel, heat, light, and power, including sales to officers, \$470,000;

For military supplies and equipment, including their purchase, repair, preservation, and handling; recreational, school, educational, library, musical, amusement, field sport and gymnasium supplies, equipment, services, and incidental expenses; purchase and marking of prizes for excellence in gunnery and rifle practice, good-conduct badges, medals, and buttons awarded to officers and enlisted men by the Government for conspicuous, gallant, and special service; rental and maintenance of target ranges and entrance fees for competitions, \$681,520;

For transportation of troops and applicants for enlistment, including cash in lieu of ferriage and transfers en route; toilet kits for issue to recruits upon their first enlistment and other incidental expenses of the recruiting service; and for transportation for dependents of officers and enlisted men, \$325,000;

For repairs and improvements to barracks, quarters, and other public buildings at posts and stations; for the renting, leasing, and improvement of buildings in the District of Columbia, and at such other places as the public exigencies require, and the erection of temporary buildings upon the approval of the Secretary of the Navy at a total cost of not to exceed \$10,000 during the year, \$400,000;

For forage and stabling of public animals and the authorized number of officers' horses, \$23,000;

For miscellaneous supplies, material, equipment, personal and other services, and for other incidental expenses for the Marine Corps not otherwise provided for; purchase, repair, and exchange of typewriters and calculating machines; purchase and repair of furniture and fixtures; repair of motor-propelled passenger-carrying vehicles; and purchase, exchange, and repair of horse-drawn passenger-carrying and other vehicles, including parts; veterinary services and medicines for public animals and the authorized number of officers' horses; purchase of mounts and horse equipment for all officers below the grade of major required to be mounted; shoeing for public animals and the authorized number of officers' horses; books, newspapers, and periodicals; printing and binding; packing and crating of officers' allowance of baggage; funeral expenses of officers and enlisted men and accepted applicants for enlistment and retired officers on active duty, including the transportation of their bodies, arms, and wearing apparel from the place of demise to the homes of the deceased in

General expenses.

Provisions, etc.

Clothing.

Fuel, etc.

Military supplies, etc.

Transportation, etc.

Dependents.

Repairs, etc., to barracks, quarters, etc.

Forage, etc.

Miscellaneous supplies, etc.

Vehicles, etc.

Horses, etc.

Printing and binding.

Funeral expenses.



Laundries.  
*Proviso.*  
Purchase of vehicles.

Marine Corps Reserve.

Accounting.  
*Proviso.*  
Group IV (b) employees.

Replacement of naval vessels.  
Construction and machinery.  
*Post*, p. 1143.

48 Stat. 503.  
Commencement of designated vessels.

50 Stat. 544.

*Provisos.*  
Group IV (b) employees.

Technical services.

Armor, armament, and ammunition.  
*Post*, p. 1143.

*Provisos.*  
Newport, R. I., torpedo station, machinery, etc.

Group IV (b) employees.

the United States; construction, operation, and maintenance of laundries; and for all emergencies and extraordinary expenses, \$2,400,000: *Provided*, That there may be expended out of this appropriation (including the exchange value of any vehicle that may be used as part payment) for the purchase of motor-propelled passenger-carrying vehicles, the gross cost of any one vehicle not to be in excess of the respective amounts as follows: Two at \$1,600 each; two at \$900 each; eight at \$700 each; and five motorcycles at \$350 each; Marine Corps Reserve: For clothing, including clothing for aviation cadets, subsistence, heat, light, transportation, and miscellaneous expenses, \$275,000;

In all, \$8,550,380, to be accounted for as one fund: *Provided*, That the sum to be paid out of this appropriation for employees assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department shall not exceed \$80,000.

## REPLACEMENT OF NAVAL VESSELS

Construction and machinery: On account of hulls and outfits of vessels and machinery of vessels heretofore authorized (and appropriated for in part), and for the commencement of the following vessels authorized by the Act approved March 27, 1934 (48 Stat. 503–505), two battleships, two cruisers of subcategory (b), eight destroyers and six submarines, and for the commencement of the following vessels authorized by the Act approved July 30, 1937 (50 Stat. 544–545), one minesweeper, one submarine tender, one fleet tug, and one oiler, \$117,363,150, to remain available until expended: *Provided*, That the sum to be paid out of the amount available for expenditure under the head of "Construction and machinery" for the fiscal year 1939 for employees in the field service assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department shall not exceed 5 per centum of the aggregate amount available under this heading on July 1, 1938: *Provided further*, That, of the appropriations made available by this Act under the head of "Replacement of naval vessels", there shall be available such sums as the Secretary of the Navy may from time to time determine to be necessary for the engagement of technical services, and the employment of personnel in the Navy Department and in the field, the purchase of plans, drafting and other supplies, and the expenses of printing and travel, in addition to those otherwise provided for, owing to the construction of vessels which have been or may hereafter be authorized.

Armor, armament, and ammunition: Toward the armor, armament, and ammunition for vessels hereinbefore described under the head of "Construction and machinery", \$20,700,000, to remain available until expended: *Provided*, That not to exceed \$200,000 of the aggregate amount available under this heading on July 1, 1938, shall be available for the replacement of machinery and tools at the Naval Torpedo Station, Newport, Rhode Island: *Provided further*, That the sum to be paid out of the amount available for expenditure under this head for the fiscal year 1939 for employees in the field service assigned to group IV (b) and those performing similar services carried under native and alien schedules in the Schedule of Wages for Civil Employees in the Field Service of the Navy Department shall not exceed 5 per centum of the aggregate amount available under this heading on July 1, 1938.

Neither the appropriation "Replacement of naval vessels, construction, and machinery", nor the appropriation "Replacement of naval vessels, armor, armament, and ammunition", shall be available for obligation for any purpose as to ships commissioned prior to July 1, 1937, nor as to any ship commissioned subsequent to such date after twelve months shall have elapsed from commissioning date.

The appropriations made in this Act for the purchase or manufacture of equipment or material or of a particular class of equipment or material shall be available for the purchase of letters patent, applications for letters patent, licenses under letters patent and applications for letters patent that pertain to such equipment or material for which the appropriations are made.

No part of any appropriation made for the Navy shall be expended for any of the purposes herein provided for on account of the Navy Department in the District of Columbia, including personal services of civilians and of enlisted men of the Navy, except as herein expressly authorized: *Provided*, That there may be detailed to the Bureau of Navigation not to exceed at any one time seven enlisted men of the Navy: *Provided further*, That enlisted men detailed to the Navy Dispensary and the Radio Communication Service shall not be regarded as detailed to the Navy Department in the District of Columbia.

No part of the appropriations made in this Act shall be available for the salary or pay of any officer, manager, superintendent, foreman, or other person or persons having charge of the work of any employee of the United States Government while making or causing to be made with a stop watch or other time-measuring device a time study of any job of any such employee between the starting and completion thereof, or of the movements of any such employee while engaged upon such work; nor shall any part of the appropriations made in this Act be available to pay any premiums or bonus or cash reward to any employee in addition to his regular wages, except for suggestions resulting in improvements or economy in the operation of any Government plant; and no part of the moneys herein appropriated for the Naval Establishment or herein made available therefor shall be used or expended under contracts hereafter made for the repair, purchase, or acquirement, by or from any private contractor, of any naval vessel, machinery, article, or articles that at the time of the proposed repair, purchase, or acquirement can be repaired, manufactured, or produced in each or any of the Government navy yards or arsenals of the United States, when time and facilities permit, and when, in the judgment of the Secretary of the Navy, such repair, purchase, acquirement, or production would not involve an appreciable increase in cost to the Government, except when the repair, purchase, or acquirement, by or from any private contractor, would, in the opinion of the Secretary of the Navy, be advantageous to the national defense: *Provided*, That nothing herein shall be construed as altering or repealing the provisos contained in the Acts to authorize the construction of certain naval vessels, approved February 13, 1929, and March 27, 1934, which provide that the first and succeeding alternate vessels in each category, except the fifteen-thousand-ton aircraft carrier, upon which work is undertaken, together with the main engines, armor, and armament, shall be constructed or manufactured in the Government navy yards, naval gun factories, naval ordnance plants, or arsenals of the United States, except such material or parts as are not customarily manufactured in such Government plants.

Designated appropriations not available for ships commissioned prior to July 1, 1937.

Purchase of letters patent, etc.

Department use limited.

*Provisos.*  
Details to Bureau of Navigation.  
Designated services not regarded as details.

No pay to officer, etc., using time-measuring device on work of employee.

Cash rewards prohibited; exception.

Repairs, etc., other than at navy yards, etc., restricted.

Exception.

*Proviso.*  
Construction, first and alternate vessels at Government yards, factories, etc.  
45 Stat. 1165; 48 Stat. 503.  
54 U. S. C. § 495.

Estimates to accompany bids.

No part of the funds herein appropriated shall be available to pay a contractor upon any contract for a naval vessel entered into under authority of this Act unless, at the time of filing his bid, he shall also file the estimates upon which such bid was based.

Navy Department.

## NAVY DEPARTMENT

### SALARIES

Salaries.

For compensation for personal services in the District of Columbia, as follows:

Office of the Secretary, and other designated offices, etc.

Office of the Secretary of the Navy: Secretary of the Navy, Assistant Secretary of the Navy, and other personal services, \$196,770.

General Board, \$12,560.

Naval examining and retiring boards, \$12,200.

Compensation board, \$6,840.

Office of Naval Records and Library, \$34,080.

Office of Judge Advocate General, \$122,000.

Office of Chief of Naval Operations, \$72,660, of which \$600 shall be available immediately.

Board of Inspection and Survey, \$19,840.

Office of Director of Naval Communications, \$135,200.

Office of Naval Intelligence, \$79,180.

Bureau of Navigation, \$484,000.

Hydrographic Office, \$413,420.

American Ephemeris, etc.

Naval Observatory, including \$2,500 for pay of computers on piece work in preparing for publication the American Ephemeris and Nautical Almanac and in improving the tables of the planets, moon, and stars, \$172,720.

Bureau of Engineering, \$307,400.

Bureau of Construction and Repair, \$347,479.

Bureau of Ordnance, \$149,000.

Bureau of Supplies and Accounts, \$790,000.

Bureau of Medicine and Surgery, \$87,580.

Bureau of Yards and Docks, \$274,600.

Bureau of Aeronautics.

Provisos.

Aircraft design and construction work; additional personnel, pay.

Limitation on expenditure.

Bureau of Aeronautics, \$358,800: *Provided*, That the services of such additional technical and clerical personnel as the Secretary of the Navy may deem necessary may be employed only in the Bureau of Aeronautics in connection with the design and construction of aircraft, to be paid from the appropriation "Aviation, Navy, 1939": *Provided further*, That the expenditures on this account for the fiscal year 1939 shall not exceed \$50,000, and the Secretary of the Navy shall report to Congress in the Budget the number of persons so employed, their duties, and the amount paid to each.

In all, salaries, Navy Department, \$4,076,329.

Salaries limited to average rates under Classification Act.

5 U. S. C. §§ 661-674; Supp. III, §§ 673, 673c.

Exception.

In expending appropriations or portions of appropriations contained in this Act, for the payment for personal services in the District of Columbia in accordance with the Classification Act of 1923, as amended, with the exception of the Assistant Secretaries of the Navy, the average of the salaries of the total number of persons under any grade in any bureau, office, or other appropriation unit shall not at any time exceed the average of the compensation rates specified for the grade by such Act, as amended, and in grades in which only one position is allocated the salary of such position shall not exceed the average of the compensation rates for the grade, except that in unusually meritorious cases of one position in a grade advances may be made to rates higher than the average of the compensation rates of the grade but not more often than once in any fiscal year and then

only to the next higher rate: *Provided*, That this restriction shall not apply (1) to grades 1, 2, 3, and 4 of the clerical-mechanical service, or (2) to require the reduction in salary of any person whose compensation was fixed as of July 1, 1924, in accordance with the rules of section 6 of such act, (3) to require the reduction in salary of any person who is transferred from one position to another position in the same or different grade in the same or a different bureau, office, or other appropriation unit, (4) to prevent the payment of a salary under any grade at a rate higher than the maximum rate of the grade when such higher rate is permitted by the Classification Act of 1923, as amended, and is specifically authorized by other law, or (5) to reduce the compensation of any person in a grade in which only one position is allocated.

*Proviso.*  
Restriction not applicable to clerical-mechanical service.  
No reduction in fixed salaries.  
42 Stat. 1490.  
Transfers without reduction.

Payment under higher rate.

If only one position in a grade.

#### CONTINGENT EXPENSES

For professional and technical books and periodicals, lawbooks, and necessary reference books, including city directories, railway guides, freight, passenger, and express tariff books and photostating, for Department library; for purchase of photographs, maps, documents, and pictorial records of the Navy, photostating and other necessary incidental expenses in connection with the preparation for publication of the naval records of the war with the Central Powers of Europe; for stationery, furniture, newspapers, plans, drawings, and drawing materials; purchase and exchange of motortrucks or motor-delivery wagons, maintenance, repair, and operation of motortrucks or motor-delivery wagons; garage rent; streetcar fares; freight, expressage, postage, typewriters, and computing machines, and other absolutely necessary expenses of the Navy Department and its various bureaus and offices, \$115,000; it shall not be lawful to expend, unless otherwise specifically provided herein, for any of the offices or bureaus of the Navy Department in the District of Columbia, any sum out of appropriations made for the naval service for any of the purposes mentioned or authorized in this paragraph.

Contingent expenses.

Naval records of World War.

Naval service appropriations not to be used for Department expenses; exception.

#### PRINTING AND BINDING

For printing and binding for the Navy Department and the Naval Establishment executed at the Government Printing Office, \$530,000, including not exceeding \$117,120 for the Hydrographic Office and \$2,800 for the Naval Reserve Officers' Training Corps.

Printing and binding.

#### PRINTING HISTORICAL AND NAVAL DOCUMENTS

For continuing the printing of historical and naval documents, including composition, clerical copying in the Navy Department, and other preparatory work, in accordance with the provisions of the appropriation made for the commencement of this work as contained in the Naval Appropriation Act for the fiscal year 1935, \$12,000, together with the unexpended balance for this purpose for the fiscal year 1938: *Provided*, That nothing in such Act shall preclude the Public Printer from furnishing one hundred and fifty copies of each volume published to the Library of Congress.

Historical and naval documents.

48 Stat. 414.  
Unexpended balance reappropriated.  
50 Stat. 117.  
*Proviso.*  
Copies to Library of Congress.

#### CONTINGENT AND MISCELLANEOUS EXPENSES, HYDROGRAPHIC OFFICE

For purchase and printing of nautical books, charts, and sailing directions, copper plates, steel plates, chart paper, packing boxes, chart portfolios, electrotyping copper plates, cleaning copper plates; tools, instruments, power, and material for drawing, engraving, and printing; materials for and mounting charts; reduction of charts by photography; photolithographing charts for immediate use; transfer of photolithographic and other charts to copper; purchase

Hydrographic Office.

Contingent and miscellaneous expenses.

Charts, etc.

of equipment for the storage of plates used in making charts and for the storage of Hydrographic Office charts and publications; modernization, care, and repair to printing presses, furniture, instruments, and tools; extra drawing and engraving; translating from foreign languages; telegrams on public business; preparation of pilot charts and their supplements, and printing and mailing same; purchase of data for charts and sailing directions and other nautical publications; books of reference and works and periodicals relating to hydrography, marine meteorology, navigation, surveying, oceanography, and terrestrial magnetism, and to other professional and technical subjects connected with the work of the Hydrographic Office, \$62,000.

Branch offices.

For contingent expenses of branch hydrographic offices at Boston, New York, Philadelphia, Baltimore, Norfolk, Savannah, New Orleans, San Francisco, Portland (Oregon), Portland (Maine), Chicago, Cleveland, Detroit, Buffalo, Duluth, Sault Sainte Marie, Seattle, Panama, San Juan (Puerto Rico), Los Angeles, Honolulu, and Galveston, including furniture, fuel, lights, works, and periodicals, relating to hydrography, marine meteorology, navigation, surveying, oceanography and terrestrial magnetism, stationery, miscellaneous articles, rent, and care of offices, care of time balls, carfare and ferriage in visiting merchant vessels, freight and express charges, telegrams, and other necessary expenses incurred in collecting the latest information for pilot charts, and for other purposes for which the offices were established, \$11,380.

For services of necessary employees at branch offices, \$47,220.

Naval Observatory.

Contingent and miscellaneous expenses.

CONTINGENT AND MISCELLANEOUS EXPENSES, NAVAL OBSERVATORY

For professional and scientific books, books of reference, periodicals, engravings, photographs, and fixtures for the library; for apparatus and instruments, and for repairs of the same; for repairs to buildings (including quarters), fixtures, and fences; for cleaning, repair, and upkeep of grounds and roads; furniture and furnishings for offices and quarters, gas, chemicals, paints, and stationery, including transmission of public documents through the Smithsonian exchange, foreign postage; plants, seeds, and fertilizers; for fuel, oil, grease, pipe, wire, and other materials needed for the maintenance and repair of boilers, engines, heating apparatus, electric lighting and power, and water supply; purchase and maintenance of teams; maintenance, repair, and operation of motortrucks and passenger automobiles, and of horse-drawn vehicles; telegraph and telephone service; and other absolutely necessary expenses, \$25,400.

Government-owned automobiles.  
Use restricted to official business.

Transportation between domicile and place of employment.

SEC. 2. No part of any money appropriated by this Act shall be used for maintaining, driving, or operating any Government-owned motor-propelled passenger-carrying vehicle not used exclusively for official purposes; and "official purposes" shall not include the transportation of officers and employees between their domiciles and places of employment except in cases of medical officers on out-patient medical service and except in cases of officers and employees engaged in field work the character of whose duties makes such transportation necessary and then only as to such latter cases when the same is approved by the head of the Department. This section shall not apply to any motor vehicle for official use of the Secretary of the Navy, and no other persons connected with the Navy Department or the naval service, except the commander in chief of the United States Asiatic Fleet, Marine Corps officers serving with expeditionary forces in foreign countries, and medical officers on out-patient medical service, shall have a Government-owned motor vehicle assigned for their exclusive use.

Exceptions.

Approved, April 26, 1938.

## [CHAPTER 176]

## AN ACT

To authorize the transfer of certain military reservations to other agencies of the Government and to the people of Puerto Rico, and for other purposes.

April 26, 1938  
[S. 2531]

[Public, No. 494]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of War be, and he is hereby, authorized to transfer to the agencies hereinafter set forth the military reservations hereinafter named, or any portions thereof, upon determination by him that said military reservations, or portions thereof, are no longer needed for military purposes: *Provided*, That in case any of these reservations, or portions thereof, with the exception of the Escambron Tract, Puerto Rico, shall at any future time become surplus to the needs of the agency to which transferred, the head of such agency is hereby directed to transfer the same back to the Secretary of War to be sold under the provisions of the Act of March 12, 1926 (44 Stat. 203): *Provided further*, That in the event the transfer of any of these reservations, or portions thereof, with the exception of the Escambron Tract, Puerto Rico, is not desired by the respective agencies hereinafter set forth, then the Secretary of War, after the expiration of ninety days following the passage of this Act, shall be, and he is hereby, authorized to sell such reservations, or any portions thereof, under the provisions of the foregoing Act of March 12, 1926.

Military reservations.  
Transfer of certain, to Government agencies and Puerto Rico.

*Provisos.*  
Reversionary provision.

44 Stat. 204.  
10 U. S. C. § 1594.  
Sale of properties not desired.

The agencies to which transfers are authorized and the names of the reservations, with the approximate amount of land involved in each instance, authorized to be transferred are as follows:

Agencies to which transfers are authorized.

To the Department of Justice: Alcatraz Island, California, twelve acres.

Department of Justice.

To the Department of Agriculture: Fort DeSoto, Florida, four hundred and forty-nine and twenty-six one-hundredths acres; Fisherman's Island, Virginia, two hundred and twenty-five acres.

Department of Agriculture.

To the Veterans' Administration: Fort Miley, California, twenty-three acres.

Veterans' Administration.

To the Department of Commerce: Fort Dade, Florida, five and five-tenths acres; Stewart Avenue Reservation, Atlanta, Georgia, one and twenty-five one-hundredths acres; Fort Livingston, Louisiana, one hundred and twenty-six and sixteen one-hundredths acres; Fort Gorges, Maine, one and five-tenths acres; Fort Scammel, Maine, a tract twenty feet square, with privilege to land anywhere at any time at the shore line of the twelve-acre tract comprising Fort Scammel; Fort Independence, Massachusetts, one acre; Gasparilla Island, Florida, eighty-one and five-tenths acres; Fort Popham, Maine, eight-five <sup>1</sup> one-hundredths acre; Salisbury Beach, Massachusetts, five acres.

Department of Commerce.

To the Treasury Department: Fort Dade, Florida, three hundred and sixty-nine and two one-hundredths acres; Fort Caswell, North Carolina, fifty-seven and two-tenths acres; Saint Andrews Sound Military Reservation, Florida, twenty-one and sixty-four one-hundredths acres.

Treasury Department.

To the people of Puerto Rico: That certain tract or parcel of land within the Main Military Reservation, San Juan, Puerto Rico, containing forty-six and four one-hundredths acres, more or less, known as the "Escambron Tract."

To the people of Puerto Rico.

SEC. 2. The net proceeds from any sale of the properties named in this Act shall be deposited in the Treasury to the credit of "miscellaneous receipts."

Deposit of net proceeds.

Approved, April 26, 1938.

<sup>1</sup> So in original.

## [CHAPTER 180]

## AN ACT

April 27, 1938  
[H. R. 9544]  
[Public, No. 495]

Making appropriations for the Departments of State and Justice and for the Judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1939, and for other purposes.

Appropriations for Departments of State and Justice, the Judiciary, and Departments of Commerce and Labor, fiscal year 1939.

Department of State Appropriation Act, 1939.

Office of the Secretary.

Salaries.  
*Post*, p. 1145.

Temporary and piece-work employees.

Expenditure without regard to Civil Service and Classification Acts.

5 U. S. C. §§ 631-652; 661-674; Supp. III, §§ 673, 673c.

*Provisos.*  
Salaries limited to average rates under Classification Act; exceptions.

If only one position in grade.

Advances in unusually meritorious cases.

Restriction not applicable to clerical-mechanical service.

No reduction in fixed salaries.  
5 U. S. C. § 666.

Transfers without reduction.

Higher salary rates permitted.

If only one position in a grade.

Department contingent expenses.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of State and Justice and for the Judiciary, and for the Departments of Commerce and Labor, for the fiscal year ending June 30, 1939, namely:

## TITLE I—DEPARTMENT OF STATE

## OFFICE OF THE SECRETARY OF STATE

Salaries: For Secretary of State; Under Secretary of State, \$10,000; counselor, \$10,000; and other personal services in the District of Columbia, including temporary employees, and not to exceed \$6,500 for employees engaged on piece work at rates to be fixed by the Secretary of State; \$2,256,600, of which amount not to exceed \$250,000 may be expended by the Secretary of State without regard to civil service laws and regulations or the Classification Act of 1923, as amended: *Provided*, That in expending appropriations or portions of appropriations, contained in this Act, for the payment of personal services in the District of Columbia in accordance with the Classification Act of 1923, as amended, with the exception of the four Assistant Secretaries of State and the legal adviser of the Department of State, the Assistant to the Attorney General, the Assistant Solicitor General, and six Assistant Attorneys General, the Assistant Secretaries of Commerce, the Assistant Secretary and the Second Assistant Secretary of Labor, the average of the salaries of the total number of persons under any grade in any bureau, office, or other appropriation unit shall not at any time exceed the average of the compensation rates specified for the grade by such Act, as amended, and in grades in which only one position is allocated the salary of such position shall not exceed the average of the compensation rates for the grade, except that in unusually meritorious cases of one position in a grade advances may be made to rates higher than the average of the compensation rates of the grade but not more often than once in any fiscal year and then only to the next higher rate: *Provided*, That this restriction shall not apply (1) to grades 1, 2, 3, and 4 of the clerical-mechanical service, or (2) to require the reduction in salary of any person whose compensation was fixed as of July 1, 1924, in accordance with the rules of section 6 of such Act, or (3) to require the reduction in salary of any person who is transferred from one position to another position in the same or different grade in the same or a different bureau, office, or other appropriation unit, or (4) to prevent the payment of a salary under any grade at a rate higher than the maximum rate of the grade when such higher rate is permitted by the Classification Act of 1923, as amended, and is specifically authorized by other law, or (5) to reduce the compensation of any person in a grade in which only one position is allocated.

Contingent expenses: For contingent and miscellaneous expenses, including stationery, furniture, fixtures; typewriters, adding machines, and other labor-saving devices, including their exchange, not exceeding \$13,000; rental of labor-saving devices, repairs, and

materials for repairs; purchase and exchange of books, maps, and periodicals, domestic and foreign, and when authorized by the Secretary of State for dues for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members, not exceeding \$8,000; newspapers not exceeding \$1,700; not to exceed \$1,000 for teletype rentals and tolls; maintenance, repair, and storage of motor-propelled vehicles, to be used only for official purposes (one for the Secretary of State and two for dispatching mail, and one motorcycle for the general use of the Department); automobile mail wagons, including storage, repair, and exchange of same; streetcar fare not exceeding \$200; traveling expenses, including not to exceed \$2,000 for expenses of attendance at meetings concerned with the work of the Department of State when authorized by the Secretary of State; refund of fees erroneously charged and paid for the issue of passports to persons who are exempted from the payment of such fee by section 1 of the Act making appropriations for the Diplomatic and Consular Service for the fiscal year ending June 30, 1921, approved June 4, 1920 (22 U. S. C. 214, 214a); the examination of estimates of appropriations in the field; and other miscellaneous items not included in the foregoing, \$95,810.

**Printing and binding:** For all printing and binding in the Department of State, including all of its bureaus, offices, institutions, and services, located in Washington, District of Columbia, and elsewhere, \$172,750.

**Passport agencies:** For salaries and expenses of maintenance, rent, cost of insurance covering shipments of money by messenger, registered mail, or otherwise, and traveling expenses not to exceed \$500, for not to exceed five passport agencies, \$63,500.

**Collecting and editing official papers of Territories of the United States:** For the expenses of collecting, editing, copying, and arranging for publication the official papers of the Territories of the United States, including personal services in the District of Columbia and elsewhere, printing and binding, and contingent and traveling expenses, as provided by the Act approved February 28, 1929 (5 U. S. C. 168-168b), as amended by the Act approved June 28, 1937 (50 Stat. 323), \$20,000: *Provided*, That hereafter not more than one thousand two hundred copies of any volume of this publication shall be printed, bound, and delivered to the Superintendent of Documents for distribution in manner and number as may be authorized and directed by the Joint Committee on Printing.

**Promotion of foreign trade:** For the purpose of carrying into effect the provisions of section 4 of the Act entitled "An Act to amend the Tariff Act of 1930", approved June 12, 1934 (48 Stat. 945), as amended, including personal services without regard to civil-service laws and regulations or the Classification Act of 1923, as amended, stenographic reporting services, by contract if deemed necessary, without regard to section 3709 of the Revised Statutes (41 U. S. C. 5), contingent expenses, printing and binding, traveling expenses, and such other expenses as the President may deem necessary, \$40,000, together with the unexpended balance of the appropriation for this purpose for the fiscal year 1938.

#### FOREIGN INTERCOURSE

**Salaries, ambassadors and ministers:** Ambassadors Extraordinary and Plenipotentiary to Argentina, Brazil, Chile, China, Cuba, France, Germany, Great Britain, Italy, Japan, Mexico, Peru, Poland, Spain, Turkey, and Union of Soviet Socialist Republics, at \$17,500 each;

Books, periodicals, etc.

Vehicles.

Attendance at meetings, etc.

Refund of passport fees erroneously charged.

41 Stat. 750; 44 Stat. 887.  
22 U. S. C. §§ 214, 214a.  
Miscellaneous items.

Printing and binding.

Passport agencies.

Collecting, etc., official papers of the Territories, for publication.

Printing and binding.  
45 Stat. 1412; 50 Stat. 523.  
5 U. S. C. §§ 168-168b; Supp. III, §§ 168a, 168c.  
*Proviso.*  
Edition limited; distribution.

Promotion of foreign trade.

48 Stat. 945.  
19 U. S. C. § 1354.  
Personal services.  
5 U. S. C. §§ 661-674; Supp. III, §§ 673, 673c.  
Contract services.  
R. S. § 3709.  
41 U. S. C. § 5.

Unexpended balance reapportioned.  
50 Stat. 263.

Foreign intercourse.

Salaries.  
Ambassadors.



Ambassador Extraordinary and Plenipotentiary to Belgium and Envoy Extraordinary and Minister Plenipotentiary to Luxemburg, \$17,500;

Ministers.

Envoy Extraordinary and Minister Plenipotentiary to the Netherlands, \$12,000;

Envoys Extraordinary and Ministers Plenipotentiary to Albania, Austria, Bolivia, Bulgaria, Czechoslovakia, Colombia, Costa Rica, Denmark, Dominican Republic, Dominion of Canada, Ecuador, Egypt, Finland, Greece, Guatemala, Haiti, Honduras, Hungary, Iran, Irish Free State, Liberia, Lithuania, Nicaragua, Norway, Panama, Paraguay, Portugal, Rumania, Salvador, Siam, Union of South Africa, Sweden, Switzerland, Uruguay, Venezuela, and Yugoslavia, at \$10,000 each; and to Estonia and Latvia, \$10,000;

In all, not to exceed \$640,000:

*Proviso.*  
Salary restriction.

*Provided*, That no salary herein appropriated shall be paid to any official receiving any other salary from the United States Government.

Foreign Service officers, salaries.  
46 Stat. 1207.  
22 U. S. C. §§ 3, 3a.  
Instruction and transit pay.

Salaries, Foreign Service officers: For salaries of Foreign Service officers as provided in the Act approved February 23, 1931 (22 U. S. C. 3, 3a); salaries of Ambassadors, Ministers, consuls, vice consuls, and other officers of the United States for the period actually and necessarily occupied in receiving instructions and in making transits to and from their posts, and while awaiting recognition and authority to act in pursuance with the provisions of section 1740 of the Revised Statutes (22 U. S. C. 121); and salaries of Foreign Service officers or vice consuls while acting as *Chargés d'Affaires* ad interim or while in charge of a consulate general or consulate during the absence of the principal officer; \$3,505,100.

R. S. § 1740.  
22 U. S. C. § 121.

*Chargés d'Affaires* ad interim.

Traveling expenses.

Transportation, Foreign Service: To pay the traveling expenses, including travel by airplane when specifically authorized by the Secretary of State, of Diplomatic, Consular, and Foreign Service officers, and other employees of the Foreign Service, including Foreign Service inspectors, and under such regulations as the Secretary of State may prescribe, of their families and expenses of transportation of effects, in going to and returning from their posts, including not to exceed \$110,000 for expenses incurred in connection with leaves of absence, and of the preparation and transportation of the remains of those officers and said employees of the Foreign Service, who have died or may die abroad or in transit while in the discharge of their official duties, to their former homes in this country or to a place not more distant for interment and for the ordinary expenses of such interment, and also for payment under the provisions of section 1749 of the Revised Statutes (22 U. S. C. 130) of allowances to the widows or heirs at law of Diplomatic, Consular, and Foreign Service officers of the United States dying in foreign countries in the discharge of their duties, \$556,700, of which amount not to exceed \$50,000 shall be available until June 30, 1940, for disbursement for expenses of travel under orders issued by the Secretary of State during the fiscal year 1939: *Provided*, That this appropriation shall be available also for the authorized subsistence expenses of Consular and Foreign Service officers while on temporary detail under commission.

Leaves of absence.

Bringing home remains of officers, etc., dying abroad.

Allowances to widows, etc.  
R. S. § 1749.  
22 U. S. C. § 130.

Travel under Secretary's orders.

*Proviso.*  
Subsistence under temporary detail.

Office and living quarters' allowances.

46 Stat. 818.  
5 U. S. C. § 118a.

*Provisos.*  
Rent; advance payment.  
Leases.

Office and living quarters' allowances, Foreign Service: For rent, heat, fuel, and light for the Foreign Service for offices and grounds, and, as authorized by the Act approved June 26, 1930 (5 U. S. C. 118a), for living quarters and not to exceed \$1,140,000 for allowances for living quarters, including heat, fuel, and light, \$1,962,000: *Provided*, That payment for rent may be made in advance: *Provided further*, That the Secretary of State may enter into leases for such offices, grounds, and living quarters for periods not exceeding ten

years and without regard to section 3709 of the Revised Statutes (41 U. S. C. 5): *Provided further*, That no part of this appropriation shall be used for allowances for living quarters, including heat, fuel, and light, in an amount exceeding \$3,000 for an ambassador, minister, or chargé d'affaires, and not exceeding \$1,700 for any other Foreign Service officer: *Provided further*, That under this appropriation and the appropriations herein for "Contingent expenses, Foreign Service", and "Miscellaneous salaries and allowances, Foreign Service", not more than \$5,000 shall be expended for custodial service, heat, fuel, and light for each ambassador or minister occupying a Government-owned building for residence or residence and office purposes, and not more than \$1,700 for such purposes in the case of any other Foreign Service officer, and during the incumbency of a chargé d'affaires the limitation on such expenditures shall be the same as for the occupancy by the principal officer.

Cost of living allowances, Foreign Service: To carry out the provisions of the Act approved February 23, 1931 (22 U. S. C. 12, 23c), relating to allowances and additional compensation to diplomatic, consular, and Foreign Service officers and clerks when such allowances and additional compensation are necessary to enable such officers and clerks to carry on their work efficiently, \$280,000: *Provided*, That such allowances and additional compensation shall be granted only in the discretion of the President, and under such regulations as he may prescribe.

Representation allowances, Foreign Service: For representation allowances as authorized by the Act approved February 23, 1931 (22 U. S. C. 12), \$125,000.

Foreign Service retirement and disability fund: For financing the liability of the United States, created by the Act approved February 23, 1931 (22 U. S. C. 21), \$187,600, which amount shall be placed to the credit of the "Foreign Service retirement and disability fund".

Salaries of clerks, Foreign Service: For salaries of clerks in the Foreign Service, as provided in the Act approved February 23, 1931 (22 U. S. C. 23a), including salaries during transit to and from homes in the United States upon the beginning and after termination of service, \$2,359,020.

Miscellaneous salaries and allowances, Foreign Service: For salaries or compensation of kavasses, guards, dragomans, porters, interpreters, prison keepers, translators, archive collators, Chinese writers, messengers, couriers, telephone operators, supervisors of construction, and custodial and operating force for maintenance and operation of Government-owned and leased diplomatic and consular properties in foreign countries; compensation of agents and employees of dispatch agencies at London, New York, San Francisco, Seattle, and New Orleans, including salaries during transit to and from their homes in the United States upon the beginning and after termination of service in foreign countries; operation of motor-propelled and other passenger- and non-passenger-carrying vehicles; for allowances to consular officers, who are paid in whole or in part by fees, for services necessarily rendered to American vessels and seamen, as provided in the Act of June 26, 1884 (22 U. S. C. 89; 46 U. S. C. 101); and such other miscellaneous personal services as the President may deem necessary, \$680,180: *Provided*, That no part of this appropriation shall be expended for salaries or wages of persons not American citizens performing clerical services (except interpreters, translators, and messengers), whether officially designated as clerks or not, in any foreign mission: *Provided further*, That the Secretary of the Navy is authorized, upon request by the Secretary of State, to assign enlisted men of the Navy and Marine

R. S. § 3709.  
41 U. S. C. § 5.  
Allowances for quarters limited.

Custodial, etc., service; restriction.  
*Post*, p. 252.

Cost of living allowances.  
46 Stat. 1207, 1209.  
22 U. S. C. §§ 12, 23c.

*Proviso*.  
Regulation of expenditure.

Representation allowances.  
46 Stat. 1209.  
22 U. S. C. § 12.

Foreign Service retirement and disability fund, Federal contribution.  
46 Stat. 1211.  
22 U. S. C. § 21.

Clerks, salaries.  
46 Stat. 1207.  
22 U. S. C. § 23a.

Miscellaneous salaries and allowances.

Dispatch agencies.

Salaries during transit.

Vehicles.

Services to American seamen, etc.  
23 Stat. 56.  
22 U. S. C. § 89; 46 U. S. C. § 101.

*Provisos*.  
Citizenship requirements.

Naval assignments as custodians.

Corps to serve as custodians, under the immediate supervision of the Secretary of State or the chief of mission, whichever the Secretary of State shall direct, at embassies, legations, or consulates of the United States located in foreign countries.

Contingent ex-  
penses, Foreign Serv-  
ice.

Vehicles.

Commissary serv-  
ice.

Government build-  
ings abroad.  
44 Stat. 403.  
22 U. S. C. §§ 292-  
299.

Dispatch agencies.

Attendance at con-  
ferences.

46 Stat. 1209.  
22 U. S. C. § 16.

Language study.

Relief, etc., of  
American seamen.

Consular prisons,  
etc.  
Care of insane.

Bringing home per-  
sons charged with  
crime.

R. S. § 5275.  
18 U. S. C. § 659.

Proviso.  
Navy Department,  
reimbursement.

Contingent expenses, Foreign Service: For stationery; blanks; record and other books; seals; presses; flags; signs; repairs and any alterations; repairs, preservation, and maintenance of Government-owned diplomatic and consular properties in foreign countries, including water, materials, supplies, tools, seeds, plants, shrubs, and similar objects; newspapers (foreign and domestic); freight; postage; telegrams; advertising; ice and drinking water for office purposes; purchase, maintenance, and hire of motor-propelled or horse-drawn passenger-carrying vehicles, and purchase, maintenance, and hire of other passenger-carrying vehicles; funds for establishment and maintenance of commissary service; uniforms; furniture, household furniture and furnishings, except as provided by the Act of May 7, 1926, as amended (22 U. S. C. 292-299), for Government-owned or rented buildings, when, in the judgment of the Secretary of State, it would be in the public interest to do so, not to exceed \$100,000; typewriters and exchange of same; maintenance and rental of launch for embassy in Turkey, not exceeding \$3,500, including personnel for operation; rent and other expenses for dispatch agencies at London, New York, San Francisco, Seattle, and New Orleans; traveling expenses, including attendance at trade and other conferences or congresses under orders of the Secretary of State as authorized by the Act approved February 23, 1931 (22 U. S. C. 16); loss by exchange; payment in advance for telephone and other similar services, expenses of vice consulates and consular agencies for any of the foregoing objects; allowances for special instruction, education, and individual training of Foreign Service officers at home and abroad, not to exceed \$7,500; cost, not exceeding \$500 per annum each, of the tuition of Foreign Service officers assigned for the study of the languages of Asia and eastern Europe; for relief, protection, and burial of American seamen in foreign countries, in the Panama Canal Zone, and in the Philippine Islands, and shipwrecked American seamen in the Territory of Alaska, in the Hawaiian Islands, in Puerto Rico, and in the Virgin Islands, and for expenses which may be incurred in the acknowledgment of the services of masters and crews of foreign vessels in rescuing American seamen or citizens from shipwreck or other catastrophe at sea; for expenses of maintaining in China, the former Ottoman Empire, Egypt, Ethiopia, Morocco, and Muscat institutions for incarcerating American convicts and persons declared insane by any consular court, rent of quarters for prisons, ice and drinking water for prison purposes, and for the expenses of keeping, feeding, and transportation of prisoners and persons declared insane by any consular court in China, the former Ottoman Empire, Egypt, Ethiopia, Morocco, and Muscat; for every expenditure requisite for or incident to the bringing home from foreign countries of persons charged with crime as authorized by section 5275 of the Revised Statutes (18 U. S. C. 659); and such other miscellaneous expenses as the President may deem necessary; \$1,158,500: *Provided*, That this appropriation shall be available for reimbursement of appropriations for the Navy Department, in an amount not to exceed \$35,000, for materials, supplies, equipment, and services furnished by the Navy Department, including pay, subsistence, allowances, and transportation of enlisted men of the Navy and Marine Corps who may be assigned by the Secretary of the Navy, upon request of the Secretary of State, to embassies, legations, or consular offices of the United States located in foreign countries.

Emergencies arising in the Diplomatic and Consular Service: To enable the President to meet unforeseen emergencies arising in the Diplomatic and Consular Service, and to extend the commercial and other interests of the United States and to meet the necessary expenses attendant upon the execution of the Neutrality Act, to be expended pursuant to the requirement of section 291 of the Revised Statutes (31 U. S. C. 107), \$175,000.

Not to exceed 10 per centum of any of the foregoing appropriations under the caption "Foreign intercourse" for the fiscal year ending June 30, 1939, may be transferred, with the approval of the Director of the Bureau of the Budget, to any other foregoing appropriation or appropriations under such caption for such fiscal year, but no appropriation shall be increased more than 10 per centum thereby: *Provided*, That all such transfers and contemplated transfers shall be set forth in the Budget for the fiscal year 1940.

Emergencies, Diplomatic and Consular Service.

Neutrality Act expenses.

R. S. § 291.  
31 U. S. C. § 107.

Interchangeability provision; restriction.

*Proviso.*  
Report in Budget.

#### CONTRIBUTIONS, QUOTAS, AND SO FORTH

For payment of the annual contributions, quotas, and expenses, including loss by exchange in discharge of the obligations of the United States in connection with international commissions, congresses, bureaus, and other objects, in not to exceed the respective amounts, as follows: Cape Spartel and Tangier Light, Coast of Morocco, \$784; International Bureau of Weights and Measures, \$4,342.50; International Bureau for Publication of Customs Tariffs, \$1,318.77; Pan American Union, \$194,247.29, including not to exceed \$20,000 for printing and binding; International Bureau of Permanent Court of Arbitration, \$1,722.57; Bureau of Interparliamentary Union for Promotion of International Arbitration, \$20,000, including not to exceed \$10,000 for the expenses of the American group of the Interparliamentary Union, including personal services in the District of Columbia and elsewhere without regard to the Classification Act of 1923, as amended, stenographic reporting services by contract if deemed necessary without regard to section 3709 of the Revised Statutes (41 U. S. C. 5), traveling expenses, purchase of necessary books, documents, newspapers, periodicals, maps, stationery, official cards, printing and binding, entertainment, and other necessary expenses to be disbursed on vouchers approved by the President and executive secretary of the American group; International Institute of Agriculture at Rome, Italy, \$48,756, including not to exceed \$11,700 for the salary of the American member of the permanent committee (at not more than \$7,500 per annum), compensation of subordinate employees without regard to the Classification Act of 1923, as amended, expenses for the maintenance of the office at Rome, including purchase of necessary books, maps, documents, and newspapers and periodicals (foreign and domestic), printing and binding, allowances for living quarters, including heat, fuel, and light, as authorized by the Act approved June 26, 1930 (5 U. S. C. 118a), for the use of the American member of the permanent committee, and traveling and other necessary expenses, to be expended under the direction of the Secretary of State; Pan American Sanitary Bureau, \$31,219.31; International Office of Public Health, \$3,015.63; Bureau of International Telecommunication Union, Radio Section \$5,790; Government of Panama, \$250,000; International Hydrographic Bureau, \$5,404; Inter-American Trade-Mark Bureau, \$14,330.20; International Bureau for Protection of Industrial Property, \$1,471.63; Gorgas Memorial Laboratory, \$50,000: *Provided*, That hereafter, notwithstanding the provisions of section 3 of the Act of May 7, 1928 (45 Stat. 491), the report of the operation and work of the laboratory, including the statement of the receipts and

Contributions, quotas, etc.

Services in the District.  
5 U. S. C. §§ 661-674;  
Supp. III, §§ 673, 673c.

R. S. § 3709.  
41 U. S. C. § 5.

International Institute of Agriculture.

Allowances.  
46 Stat. 818.  
5 U. S. C. § 118a.

*Proviso.*  
Report to Congress.

45 Stat. 491.

International Technical Committee of Aerial Legal Experts.

R. S. § 3709.  
41 U. S. C. § 5.

Permanent Association of International Road Congresses.

50 Stat. 750.  
International Labor Organization.

R. S. § 3709.  
41 U. S. C. § 5.

International Council of Scientific Unions and Associated Unions.

Total; additional sums, increase in rates of exchange.

expenditures, shall be made to Congress during the first week of each regular session thereof, such report to cover a fiscal-year period ending on June 30 of the calendar year immediately preceding the convening of each such session; American International Institute for the Protection of Childhood, \$2,000; International Statistical Bureau at The Hague, \$2,000; International Map of the World on the Millionth Scale, \$50; International Technical Committee of Aerial Legal Experts, \$6,745, including not to exceed \$6,500 for the expenses of participation by the Government of the United States in the meetings of the International Technical Committee of Aerial Legal Experts and of the commissions established by that committee, including traveling expenses, personal services in the District of Columbia and elsewhere without reference to the Classification Act of 1923, as amended, stenographic and other services by contract if deemed necessary without regard to the provisions of section 3709 of the Revised Statutes (41 U. S. C. 5), rent, purchase of necessary books and documents, printing and binding, official cards, entertainment, and such other expenses as may be authorized by the Secretary of State; Convention Relating to Liquor Traffic in Africa, \$55; International Penal and Penitentiary Commission, \$4,332, including not to exceed \$800 for the necessary expenses of the Commissioner to represent the United States on the Commission at its annual meetings, personal services without regard to the Classification Act of 1923, as amended, printing and binding, traveling expenses, and such other expenses as the Secretary of State may deem necessary; Permanent Association of International Road Congresses, \$5,588, including not to exceed \$5,000, to be immediately available, to enable the United States to participate in the meetings of the said Association and of its executive committee, including travel and subsistence, in the calendar year 1938, as authorized by Public Resolution Numbered 68, Seventy-fifth Congress, approved August 24, 1937; International Labor Organization, \$157,741.39, including not to exceed \$25,000 for the expenses of participation by the United States in the meetings of the General Conference and of the Governing Body of the International Labor Office and in such regional, industrial, or other special meetings as may be duly called by such Governing Body, including personal services, without reference to the Classification Act of 1923, as amended, in the District of Columbia and elsewhere, stenographic reporting and translating services by contract if deemed necessary without regard to section 3709 of the Revised Statutes (41 U. S. C. 5), rent, traveling expenses, purchase of books, documents, newspapers, periodicals, and charts, stationery, official cards, printing and binding, entertainment, hire, maintenance, and operation of motor-propelled passenger-carrying vehicles, and such other expenses as may be authorized by the Secretary of State; Implementing the Narcotics Convention of 1931, \$10,551.85; International Council of Scientific Unions and Associated Unions, as follows: International Council of Scientific Unions, \$19.30; International Astronomical Union, \$617.60; International Union of Chemistry, \$675; International Union of Geodesy and Geophysics, \$2,316; International Scientific Radio Union, \$154.40; International Union of Physics, \$62.72; International Geographical Union, \$125.44; and International Union of Biological Sciences, \$154.40; in all, \$4,124.86; and Pan American Institute of Geography and History, \$10,000; in all, \$835,590, together with such additional sums, due to increase in rates of exchange as the Secretary of State may determine and certify to the Secretary of the Treasury to be necessary to pay in foreign currencies the quotas and contributions required by the several treaties, conventions, or laws establishing the amount of the obligation.

## INTERNATIONAL BOUNDARY COMMISSION, UNITED STATES AND MEXICO

Salaries and expenses: For expenses of meeting the obligations of the United States under the treaties of 1884, 1889, 1905, 1906, and 1933 between the United States and Mexico, and of compliance with the Act approved August 19, 1935, as amended (49 Stat. 660, 1370), operation of gaging stations where necessary and their equipment; personal services and rent in the District of Columbia and elsewhere; fees for professional services at rates and in amounts to be determined by the Secretary of State; traveling expenses, including transportation of effects; printing and binding; law books and books of reference; subscriptions to foreign and domestic newspapers and periodicals; purchase, exchange, maintenance, repair, and operation of motor-propelled passenger- and freight-carrying vehicles; hire, with or without personal services, of work animals, and animal-drawn and motor-propelled vehicles and equipment; purchase of rubber boots and waders for official use of employees; purchase of ice; drilling and testing of dam sites, by contract if deemed necessary, without regard to section 3709 of the Revised Statutes (41 U. S. C. 5); equipment and such other miscellaneous expenses as the Secretary of State may deem proper, \$143,300.

Construction, operation, and maintenance, Public Works projects: For the construction (including surveys and operation and maintenance and protection during construction) of the following projects under the supervision of the International Boundary Commission, United States and Mexico, United States section, including salaries and wages of employees, laborers, and mechanics; fees for professional services at rates and in amounts to be determined by the Secretary of State; travel expenses; rents; construction and operation of gaging stations; purchase (including exchange), maintenance, repair, and operation of motor-propelled passenger- and freight-carrying vehicles; drilling and testing of dam sites, by contract if deemed necessary, without regard to the provisions of section 3709 of the Revised Statutes (41 U. S. C. 5); hire, with or without personal services, of work animals and animal-drawn and motor-propelled vehicles and equipment; acquisition by donation, purchase, or condemnation, of real and personal property, including expenses of abstracts and certificates of title; transportation of things (including drayage, packing, and crating of personal effects of employees upon change of station for permanent duty not to exceed five thousand pounds in any one case); printing and binding; communication services; equipment, materials and supplies, including purchase of ice, rubber boots, and waders for official use of employees, and such other miscellaneous expenses as the Secretary of State may deem necessary:

Rio Grande rectification project: For completion of the rectification of the Rio Grande in the El Paso-Juarez Valley under the convention concluded February 1, 1933, between the United States and Mexico, \$229,500, together with the unexpended balances of the appropriations for this purpose for the fiscal years 1936-1937 and 1938, all to be available immediately.

Lower Rio Grande flood-control project: For the United States portion of the project for flood control on the Lower Rio Grande, as authorized by the Act approved August 19, 1935, as amended (49 Stat. 660, 1370), \$311,500, together with the unexpended balances of the appropriations for this purpose for the fiscal years 1936-1937 and 1938: *Provided*, That no part of this appropriation for the Lower Rio Grande flood-control project shall be expended for construction on any land, site, or easement until title thereto has been conveyed to the United States by donation and the same has been approved by the Attorney General of the United States.

International Boundary Commission, United States and Mexico.

24 Stat. 1011; 26 Stat. 1512; 34 Stat. 2953; 49 Stat. 660, 1370.

Printing and binding.

Vehicles.

Testing dam sites.

R. S. § 3709.  
41 U. S. C. § 5.

Public Works projects under Commission.

Vehicles.

R. S. § 3709.  
41 U. S. C. § 5.

Printing and binding.

Rio Grande rectification project.

48 Stat. 1621.  
Balances available.  
49 Stat. 1317; 50 Stat. 269.

Lower Rio Grande flood-control project.  
49 Stat. 660, 1370.

Balances reappropriated.  
49 Stat. 1318; 50 Stat. 269.  
*Proviso.*  
Acquisition of title.

Rio Grande canal-  
ization project.  
49 Stat. 961, 1463.

50 Stat. 269.  
49 Stat. 1631.

Fence construction,  
international bound-  
ary, Arizona.  
49 Stat. 660.  
*Proviso.*  
Limitation on ex-  
penditures.

Rio Grande canalization project: For the Rio Grande canalization project as authorized by the Acts approved August 29, 1935 (49 Stat. 961), and June 4, 1936 (49 Stat. 1463), \$646,500, together with the unexpended balances of the appropriations under this head for the fiscal year 1938 and the unexpended balance of the appropriation for the Rio Grande Diversion Dam for the fiscal years 1936-1937.

Fence construction on the boundary, Arizona: For construction of fence along the international boundary as authorized by the Act of August 19, 1935 (49 Stat. 660), \$25,000: *Provided*, That no part of this appropriation shall be expended for the acquisition of lands or easements for sites for boundary fences except for procurement of abstracts or certificates of title, payment of recording fees, and examination of titles.

International  
Boundary Commis-  
sion, United States  
and Canada and  
Alaska and Canada.  
Expenses, under  
treaty obligations.  
44 Stat. 2102.

#### INTERNATIONAL BOUNDARY COMMISSION, UNITED STATES AND CANADA AND ALASKA AND CANADA

To enable the President to perform the obligations of the United States under the treaty between the United States and Great Britain in respect of Canada, signed February 24, 1925; for salaries and expenses, including the salary of the Commissioner and salaries of the necessary engineers, clerks, and other employees for duty at the seat of government and in the field; cost of office equipment and supplies; necessary traveling expenses; commutation of subsistence to employees while on field duty, not to exceed \$4 per day each, but not to exceed \$1.75 per day each when a member of a field party and subsisting in camp; for payment for timber necessarily cut in keeping the boundary line clear, not to exceed \$500; and for all other necessary and reasonable expenses incurred by the United States in maintaining an effective demarcation of the international boundary line between the United States and Canada and Alaska and Canada under the terms of the treaty aforesaid, including the completion of such remaining work as may be required under the award of the Alaskan Boundary Tribunal and existing treaties between the United States and Great Britain, and including the hire of freight- and passenger-carrying vehicles from temporary field employees, to be disbursed under the direction of the Secretary of State, \$41,500.

Boundary lines,  
United States and  
Canada and Alaska  
and Canada.

International Joint  
Commission, United  
States and Great Brit-  
ain.  
Salaries and ex-  
penses.

#### WATERWAYS TREATY, UNITED STATES AND GREAT BRITAIN: INTERNATIONAL JOINT COMMISSION, UNITED STATES AND GREAT BRITAIN

Salaries and expenses: For salaries and expenses, including salaries of Commissioners and salaries of clerks and other employees appointed by the Commissioners on the part of the United States, with the approval solely of the Secretary of State; for necessary traveling expenses, and for expenses incident to holding hearings and conferences at such places in Canada and the United States as shall be determined by the Commission or by the American Commissioners to be necessary including traveling expense and compensation of necessary witnesses, making necessary transcript of testimony and proceedings; for cost of law books, books of reference and periodicals, office equipment and supplies; and for one-half of all reasonable and necessary joint expenses of the International Joint Commission incurred under the terms of the treaty between the United States and Great Britain concerning the use of boundary waters between the United States and Canada, and for other purposes, signed January 11, 1909; \$36,600, to be disbursed under the direction of the Secretary of State: *Provided*, That the salaries of the American Commissioners shall not exceed \$7,500 each per annum: *Provided*

36 Stat. 2448.

*Provisos.*  
Salary restriction.

further, That traveling expenses of the commissioners, secretary, and necessary employees shall be allowed in accordance with the provisions of the Subsistence Expense Act of 1926, as amended (5 U. S. C. 821-833).

Special and technical investigations: For an additional amount for necessary special or technical investigations in connection with matters which fall within the scope of the jurisdiction of the International Joint Commission, including personal services in the District of Columbia or elsewhere, traveling expenses, procurement of technical and scientific equipment, and the purchase, exchange, hire, maintenance, repair, and operation of motor-propelled and horse-drawn passenger-carrying vehicles, \$39,000, to be disbursed under the direction of the Secretary of State, who is authorized to transfer to any department or independent establishment of the Government, with the consent of the head thereof, any part of this amount for direct expenditure by such department or establishment for the purposes of this appropriation.

Traveling expenses.

44 Stat. 688.  
5 U. S. C. §§ 821-833.

Special and technical investigations.  
Personal services.  
*Post*, p. 1145.

#### INTERNATIONAL FISHERIES COMMISSION

Salaries and expenses: For the share of the United States of the expenses of the International Fisheries Commission, under the convention between the United States and Canada, concluded January 29, 1937, including salaries of two members and other employees of the Commission, traveling expenses, charter of vessels, purchase of books, periodicals, furniture, and scientific instruments, contingent expenses, rent in the District of Columbia, and such other expenses in the United States and elsewhere as the Secretary of State may deem proper, to be disbursed under the direction of the Secretary of State, \$25,000: *Provided*, That not to exceed \$700 shall be expended by the Commissioner and his staff in attending meetings of the Commission.

International Fisheries Commission.

Salaries and expenses.

47 Stat. 1872.

Rent.

*Proviso*.  
Attendance at meetings.

#### INTERNATIONAL PACIFIC SALMON FISHERIES COMMISSION

Salaries and expenses: For the share of the United States of the expenses of the International Pacific Salmon Fisheries Commission, under the convention between the United States and Canada, concluded May 26, 1930, including personal services; traveling expenses; charter of vessels; purchase of books, periodicals, furniture, and scientific instruments; contingent expenses; rent in the District of Columbia and elsewhere; and such other expenses in the United States and elsewhere as the Secretary of State may deem proper, including the reimbursement of other appropriations from which payments may have been made for any of the purposes herein specified, to be expended under the direction of the Secretary of State, \$15,000.

International Pacific Salmon Fisheries Commission.

Salaries and expenses.

50 Stat. 1355.

#### MISCELLANEOUS INTERNATIONAL CONGRESSES, CONFERENCES, AND COMMISSIONS

International Congress of Architects: For the expenses of organizing and holding the Fifteenth International Congress of Architects in the United States, as authorized by and in accordance with the Act approved June 29, 1937 (50 Stat. 440), \$9,000, to remain available until December 31, 1939.

Tenth Pan American Sanitary Conference: For the expenses of participation by the United States in the Tenth Pan American Sanitary Conference, as authorized by and in accordance with the Act approved May 20, 1937 (50 Stat. 198), \$3,500.

Miscellaneous international congresses, etc.

International Congress of Architects.

50 Stat. 441.

Tenth Pan American Sanitary Conference.

50 Stat. 198.



Delaware Valley  
Tercentenary Com-  
mission.

50 Stat. 272.  
*Post*, p. 1148.

Delaware Valley Tercentenary Commission: The unexpended balance of the appropriation "United States Delaware Valley Tercentenary Commission, 1938" contained in the Department of State Appropriation Act, 1938, approved June 16, 1937, is continued available for the same purposes until June 30, 1939.

#### General provisions.

#### GENERAL PROVISIONS

Minor purchases,  
etc.  
R. S. § 3709.  
41 U. S. C. § 5.

Section 3709 of the Revised Statutes (41 U. S. C. 5) shall not apply to any purchase by or service rendered for the Department of State when the aggregate amount involved does not exceed \$100 or when the purchase or service relates to the packing of personal and household effects of Diplomatic, Consular, and Foreign Service officers and clerks for foreign shipment.

#### Rental restriction.

Unless expressly authorized, no portion of the sums appropriated in title I of this Act shall be expended for rent or rental allowances in the District of Columbia or elsewhere in the United States.

Assignments as in-  
spectors, etc., of build-  
ings abroad; traveling  
expenses.

The President, in his discretion, may assign officers of the Army or Navy or officers or employees of the Treasury Department for duty as inspectors of buildings owned or occupied by the United States in foreign countries, or as inspectors or supervisors of buildings under construction or repair by or for the United States in foreign countries, under the jurisdiction of the Department of State, or for duty as couriers of the Department of State, and when so assigned they may receive the same traveling expenses as are authorized for officers of the Foreign Service, payable from the applicable appropriations of the Department of State.

#### Short title.

This title may be cited as the "Department of State Appropriation Act, 1939".

Department of Jus-  
tice Appropriation  
Act, 1939.  
Office of the Attor-  
ney General.

Salaries, designated  
offices.

## TITLE II—DEPARTMENT OF JUSTICE

### OFFICE OF THE ATTORNEY GENERAL

Salaries: For personal services in the District of Columbia as follows:

For the Office of the Attorney General, \$51,940.

For the Office of the Solicitor General, \$54,740.

For the Office of the Assistant Solicitor General, \$46,860.

For the Office of Assistant to the Attorney General, \$52,380.

For the Administrative Division, \$566,070.

For the Tax Division, \$560,000.

For the Criminal Division, \$154,000.

For the Claims Division, \$227,440.

For the Lands Division, \$317,060.

For the Office of Pardon Attorney, \$24,740.

For the Anti-Trust Division, \$9,000.

*Proviso.*  
Interchangeability  
of amounts.

Total, Office of the Attorney General, \$2,064,230: *Provided*, That 5 per centum of the foregoing amounts shall be available interchangeably for expenditures in the various offices and divisions named, but not more than 5 per centum shall be added to the amount appropriated for any one of said offices or divisions and any interchange of appropriations hereunder shall be reported to Congress in the annual Budget.

#### Report in Budget.

#### Traveling expenses.

#### Exceptions.

Traveling expenses: For all necessary traveling expenses under the Department of Justice and the Judiciary, including traveling expenses of probation officers and their clerks but not including traveling expenses otherwise payable under any appropriations for "United States Supreme Court", "United States Court of Customs and Patent Appeals", "United States Customs Court", "Court of Claims",

"United States Court for China", "Federal Bureau of Investigation", "Salaries and expenses of marshals", "Fees of jurors and witnesses", and "Penal and correctional institutions (except as otherwise hereinbefore provided)", \$824,200: *Provided*, That this sum shall be available, in an amount not to exceed \$3,500, for expenses of attendance at meetings concerned with the work of the Bureau of Prisons when incurred on the written authorization of the Attorney General.

*Proviso.*  
Attendance at meetings, Bureau of Prisons.

Contingent expenses: For stationery, furniture and repairs, floor coverings not exceeding \$1,000, file holders and cases; miscellaneous expenditures, including telegraphing and telephones, and teletype rentals and tolls, postage, labor, typewriters and adding machines and the exchange thereof and repairs thereto, streetcar fares not exceeding \$300, newspapers not exceeding \$350, press clippings, and other necessities ordered by the Attorney General; official transportation, including the repair, maintenance, and operation of six motor-driven passenger cars (one for the Attorney General, three for general use of the Department, two for the Federal Bureau of Investigation for investigative work), delivery trucks, and motorcycle, to be used only for official purposes; purchase, including exchange, of a passenger-carrying automobile for the official use of the Attorney General at not to exceed \$1,800; purchase of law books, books of reference, and periodicals, including the exchange thereof; examination of estimates of appropriation in the field; and miscellaneous and emergency expenses authorized and approved by the Attorney General, to be expended at his discretion, \$149,500: *Provided*, That this appropriation may be reimbursed for expenditures in connection with cars herein authorized for the Bureau of Investigation from the appropriation for the expenses of said Bureau when approved in writing by the Attorney General: *Provided further*, That not to exceed \$2 per volume shall be paid for the current and future volumes of the United States Code, Annotated.

Contingent expenses.

Vehicles.

*Proviso.*  
Reimbursement for car expenses.

United States Code, Annotated; price limitation.

Printing and binding.

Printing and binding: For printing and binding for the Department of Justice and the Courts of the United States, \$325,500.

#### FEDERAL BUREAU OF INVESTIGATION

Federal Bureau of Investigation.

##### SALARIES AND EXPENSES

Detection and prosecution of crimes: For the detection and prosecution of crimes against the United States; for the protection of the person of the President of the United States; the acquisition, collection, classification, and preservation of identification and other records and their exchange with the duly authorized officials of the Federal Government, of States, cities, and other institutions; for such other investigations regarding official matters under the control of the Department of Justice and the Department of State as may be directed by the Attorney General; purchase and exchange not to exceed \$50,000, and hire, maintenance, upkeep, and operation of motor-propelled passenger-carrying vehicles, to be used only on official business; purchase and exchange at not to exceed \$7,000 each, and maintenance, upkeep, and operation, of not more than three armored automobiles; firearms and ammunition; such stationery, supplies, and equipment for use at the seat of government or elsewhere as the Attorney General may direct; not to exceed \$10,000 for taxicab hire to be used exclusively for the purposes set forth in this paragraph and to be expended under the direction of the Attorney General; traveling expenses, including expenses, in an amount not to exceed \$4,500, of attendance at meetings concerned with the work of such Bureau when authorized in writing by the Attorney General; payment of rewards when specifically authorized by the Attorney Gen-

Detection and prosecution of crimes.  
*Post*, p. 1136.  
Protection of the President.  
Identification records.

Investigations.  
Matters under control of Departments of Justice and State.

Vehicles.

Stationery, etc.

Attendance at meetings.

Rewards for information.

## Emergencies.

eral for information leading to the apprehension of fugitives from justice, including not to exceed \$20,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General, who shall make a certificate of the amount of such expenditure as he may think it advisable not to specify, and every such certificate shall be deemed a sufficient voucher for the sum therein expressed to have been expended; and including not to exceed \$1,731,180 for personal services in the District of Columbia, \$6,043,200, of which amount not to exceed \$65,000 shall be available immediately: *Provided*, That section 3709 of the Revised Statutes (41 U. S. C. 5) shall not be construed to apply to any purchase or service rendered for the Federal Bureau of Investigation in the field when the aggregate amount involved does not exceed the sum of \$50.

## Services in the District.

*Proviso.*  
Minor purchases.  
R. S. § 3709.  
41 U. S. C. § 5.

## Miscellaneous.

## MISCELLANEOUS OBJECTS, DEPARTMENT OF JUSTICE

## Conduct of customs cases.

Conduct of customs cases: Assistant Attorney General, special attorneys and counselors at law in the conduct of customs cases, to be employed and their compensation fixed by the Attorney General; necessary clerical assistance and other employees at the seat of government and elsewhere, to be employed and their compensation fixed by the Attorney General, including experts at such rates of compensation as may be authorized or approved by the Attorney General; expenses of procuring evidence, supplies, Supreme Court Reports and Digests, and Federal Reporter and Digests, and other miscellaneous and incidental expenses, to be expended under the direction of the Attorney General; in all, \$128,500.

## Enforcement of antitrust, etc., laws.

Enforcement of antitrust and kindred laws: For the enforcement of antitrust and kindred laws, including experts at such rates of compensation as may be authorized or approved by the Attorney General except that the compensation paid to any person employed hereunder shall not exceed the rate of \$10,000 per annum, including not to exceed \$117,560 for personal services in the District of Columbia, \$580,060.

## Bond and Spirits Division.

Bond and Spirits Division: For salaries and expenses in connection with the preliminary determination of civil liabilities arising under acts pursuant to the eighteenth amendment before repeal; the preliminary determination of compromises and petitions for remission of forfeitures arising out of current internal-revenue liquor laws; the supervision of the collection on forfeited bail bonds and judgments and fines imposed in criminal cases; personal services in the District of Columbia and elsewhere, and such other expenditures (not exceeding \$50 for any one item) as may be necessary, \$185,000: *Provided*, That no part of this appropriation shall be used to compensate any person not appointed pursuant to civil-service laws and regulations, but this limitation shall not apply to attorneys or the head of the division.

*Proviso.*  
Limitation on use of funds for salaries.

## Examination of judicial offices.

Examination of judicial offices: For the investigation of the official acts, records, and accounts of marshals, attorneys, clerks of the United States courts and Territorial courts, probation officers, and United States commissioners, for which purpose all the official papers, records, and dockets of said officers, without exception, shall be examined by the agents of the Attorney General at any time; and also, the official acts, records, and accounts of referees and trustees of such courts; for copying, in the District of Columbia or elsewhere, reports of examiners at folio rates; in all, \$51,800, to be expended under the direction of the Attorney General.

## BUREAU OF PRISONS

Bureau of Prisons.

Salaries: For salaries in the District of Columbia and elsewhere in connection with the supervision of the maintenance and care of United States prisoners, \$245,600.

Salaries.

## VETERANS' INSURANCE LITIGATION

Veterans' insurance litigation.

Salaries and expenses: For salaries and expenses incident to the defense of suits against the United States under section 19, of the World War Veterans' Act, 1924, approved June 7, 1924, as amended and supplemented, or the compromise of the same under the Independent Offices Appropriation Act, 1934, approved June 16, 1933, including office expenses, law books, supplies, equipment, stenographic reporting services by contract or otherwise, including notarial fees or like services and stenographic work in taking depositions at such rates of compensation as may be authorized or approved by the Attorney General, printing and binding, the employment of experts at such rates of compensation as may be authorized or approved by the Attorney General, and personal services in the District of Columbia and elsewhere, \$485,000.

Salaries and expenses.

43 Stat. 612, 1302; 48 Stat. 302.  
38 U. S. C. § 445.

## PENAL AND CORRECTIONAL INSTITUTIONS

Penal and correctional institutions.

For all services, including personal services compensated upon fee basis, supplies, materials, and equipment in connection with or incident to the subsistence and care of inmates and maintenance and upkeep of Federal penal and correctional institutions, including farm and other operations not otherwise specifically provided for in the discretion of the Attorney General; gratuities for inmates at release, provided such gratuities shall be furnished to inmates sentenced for terms of imprisonment of not less than six months, and transportation to the place of conviction or bona fide residence at the time of conviction or to such other place within the United States as may be authorized by the Attorney General; expenses of interment or transporting remains of deceased inmates to their homes in the United States; maintenance and repair of passenger-carrying vehicles; traveling expenses of institution officials and employees when traveling on official duty, including expenses, in an amount not to exceed \$750 for each institution of attendance at meetings concerned with the work of the several institutions when authorized in writing by the Attorney General, and including expenses incurred in pursuing and identifying escaped inmates; traveling expenses of members of advisory boards authorized by law incurred in the discharge of their official duties; packing, crating, drayage, and transportation of household effects, not exceeding in any one case five thousand pounds, of employees when transferred from one official station to another for permanent duty and uniforms for the guard force, when specifically authorized by the Attorney General; rewards for the capture of escaped inmates; newspapers, books, and periodicals; firearms and ammunition; tobacco for inmates; and the purchase and exchange of farm products and livestock, when authorized by the Attorney General: *Provided*, That any part of the appropriations under this heading used for payment of salaries of personnel employed in the operation of prison commissaries shall be reimbursed from commissary earnings, and such reimbursement shall be in addition to the amounts appropriated herein.

Services, supplies, etc.

*Provido.*  
Prison commissaries.

Medical and hospital service: For medical relief for, and incident to the care and maintenance of, inmates of penal and correctional institutions, including personal services in the District of Columbia

Medical and hospital service.

	and elsewhere, medical, surgical, and hospital supplies, materials, equipment, and appliances, together with appliances necessary for patients, and the furnishing and laundering of uniforms and other distinctive wearing apparel necessary for employees in the performance of their official duties, \$657,700, of which amount not to exceed \$99,000 may be transferred to the appropriation "Pay, and so forth, commissioned officers, Public Health Service, 1939" for the pay of officers assigned to the Federal Prison Service and the limitation in such appropriation on the maximum number of regular active commissioned officers is hereby increased by not to exceed twenty-eight, and the remaining amount, in the discretion of the Attorney General, may be transferred to other appropriations of the Public Health Service for direct expenditure under the laws and regulations governing the Public Health Service.
<i>Ante</i> , p. 132.	
Leavenworth, Kans.	United States Penitentiary, Leavenworth, Kansas: For the United States Penitentiary at Leavenworth, Kansas, including not to exceed \$437,360 for salaries and wages of all officers and employees, \$982,860.
	United States penitentiary annex, Leavenworth, Kansas: For the United States penitentiary annex at Leavenworth, Kansas, including not to exceed \$313,530 for salaries and wages of all officers and employees, and including the purchase and exchange of one passenger-carrying automobile, \$574,630.
Atlanta, Ga.	United States Penitentiary, Atlanta, Georgia: For the United States Penitentiary at Atlanta, Georgia, including not to exceed \$433,220 for salaries and wages of all officers and employees, \$968,720.
McNeil Island, Wash.	United States Penitentiary, McNeil Island, Washington, Salaries and expenses: For the United States Penitentiary at McNeil Island, Washington, including not to exceed \$298,595 for salaries and wages of all officers and employees, \$523,720.
Construction, etc.	United States Penitentiary, McNeil Island, Washington, construction and repair: For construction and repair of buildings, including (1) extension of existing facilities, \$135,000, and (2) development of island area, \$63,000, including the purchase and installation of machinery and equipment and all expenses incident thereto, \$198,000, to be available immediately and to remain available until expended and to be expended so as to give the maximum amount of employment to inmates of the institution: <i>Provided</i> , That the ultimate cost of the project for development of the island area shall not exceed \$800,000.
<i>Proviso.</i> Cost limitation.	
Northeastern Penitentiary.	United States Northeastern Penitentiary: For the United States penitentiary in the Northeast, including not to exceed \$403,175 for salaries and wages of all officers and employees, \$733,845.
Alcatraz Island, Calif.	United States Penitentiary, Alcatraz Island, California: For the United States Penitentiary at Alcatraz Island, California, including not to exceed \$195,920 for salaries and wages of all officers and employees, \$303,295.
Federal Industrial Institution for Women, Alderson, W. Va.	Federal Industrial Institution for Women, Alderson, West Virginia: For the Federal Industrial Institution for Women at Alderson, West Virginia, including not to exceed \$169,150 for salaries and wages of all officers and employees and including the purchase and exchange of one passenger-carrying automobile, \$272,680.
Industrial Reformatory, Chillicothe, Ohio.	United States Industrial Reformatory, Chillicothe, Ohio: For the United States Industrial Reformatory at Chillicothe, Ohio, including not to exceed \$404,020 for salaries and wages of all officers and employees and including the purchase and exchange of one passenger-carrying automobile, \$766,030.
Southwestern Reformatory.	United States Southwestern Reformatory: For the United States Southwestern Reformatory, including not to exceed \$308,160 for salaries and wages of all officers and employees, and including the purchase and exchange of one passenger-carrying automobile, \$543,110.

United States Hospital for Defective Delinquents: For the United States Hospital for Defective Delinquents, including not to exceed \$168,200 for salaries and wages of all officers and employees, \$366,680.

Federal jails: For maintenance and operation of Federal jails, including not to exceed \$723,760 for salaries and wages of all officers and employees, and including the purchase of two passenger-carrying automobiles, \$1,367,855: *Provided*, That of this amount \$155,000 shall be available immediately for special equipment for the jail at Sandstone, Minnesota.

Prison camps: For the construction and repair of buildings at prison camps, the purchase and installation of machinery and equipment, and all necessary expenses incident thereto, and for the maintenance of United States prisoners at prison camps, including the purchase of two passenger-carrying automobiles, to be expended so as to give the maximum amount of employment to prisoners, \$604,830: *Provided*, That reimbursements from this appropriation made to the War or other departments for supplies or subsistence shall be at the net contract or invoice price notwithstanding the provisions of any other Act: *Provided further*, That of this appropriation \$33,000 shall be available for construction of a prison camp at Tucson, Arizona.

Federal Reformatory Camp, Petersburg, Virginia: For the Federal Reformatory Camp at Petersburg, Virginia, including not to exceed \$151,460 for salaries and wages of all officers and employees, \$312,455.

Not to exceed 10 per centum of any of the foregoing appropriations under the general heading "Penal and Correctional Institutions" (except those for "Medical and hospital services", "Buildings and equipment", and "Construction and repair, United States Penitentiary, McNeil Island, Washington") may be transferred, with the approval of the Director of the Bureau of the Budget, to any appropriation or appropriations from which transfers are authorized to be made by this paragraph, but no appropriation shall be increased by more than 10 per centum thereby and no transfer shall be effected for the payment of personnel in any such institution.

#### PUBLIC WORKS

For the acquisition of a site, construction, remodeling, and equipping necessary buildings, purchase and installation of machinery and equipment, and all necessary expenses incident thereto, for establishment of one new penal or correctional institution, pursuant to the Act entitled "An Act to reorganize the administration of Federal prisons; to authorize the Attorney General to contract for the care of United States prisoners; to establish Federal jails, and for other purposes", approved May 14, 1930, to be expended under the direction of the Attorney General by contract or purchase of material and hire of labor and services and utilization of labor of United States prisoners as the Attorney General may direct, to be available immediately and to remain available until expended, \$450,000: *Provided*, That the total sum to be expended for such purposes shall not exceed \$1,300,000, and authority is hereby granted to enter into contracts for not to exceed such amount.

Buildings and equipment, public works: For extensions to existing facilities and not to exceed \$25,000 for construction of dwellings for prison officers at existing institutions, and including not to exceed \$86,600 for construction of a sedimentation basin, filter plant, and other required appurtenances, to be operated by the city of El Reno, Oklahoma, as a part of the water facilities of said city, on property

United States Hospital for Defective Delinquents.

Federal jails.

*Proviso.*  
Sandstone, Minn.,  
equipment.

Prison camps, construction, etc.

Maintenance.

*Provisos.*  
Reimbursements.

Tucson, Ariz., construction.

Federal Reformatory Camp, Petersburg, Va.

Transfer of appropriations authorized.

Restriction.

Public works.

Establishment of one new penal or correctional institution.  
Site, construction, equipment.

46 Stat. 325.  
18 U. S. C. §§ 699,  
753-753½, 816.

*Proviso.*  
Limitation on expenditure; contracts.

Buildings and equipment.

El Reno, Okla., water facilities.

*Proviso.*  
Terms of contract.

to which the United States shall have acquired an easement, for the purpose of assuring to the United States a satisfactory water supply for the Federal reformatory at El Reno: *Provided*, That no part of this appropriation shall be available for expenditure for this purpose until a contract has been entered into between the city of El Reno and the Attorney General of the United States under the terms of which the city shall be obligated to furnish a satisfactory water supply at such rates as compared with existing rates as will accomplish the amortization within a period of thirty years of the cost of such construction, to be expended under the direction of the Attorney General by contract or purchase of material and hire of labor and services and utilization of labor of United States prisoners as the Attorney General may direct, \$513,000 to remain available until July 1, 1940.

National Training  
School for Boys, D. C.  
Salaries and ex-  
penses.

National Training School for Boys, Washington, District of Columbia, salaries and expenses: For the National Training School for Boys, Washington, District of Columbia, including expenses of a suitable attendant to accompany the remains of deceased inmates to their homes for burial and including not to exceed \$158,000 for salaries and wages of all officers and employees, \$270,000.

Buildings and  
equipment.

National Training School for Boys, Washington, District of Columbia, building and equipment: For alterations of and repairs to buildings, including the purchase and installation of machinery and equipment, and all expenses incident thereto, to be expended so as to give the maximum amount of employment to inmates of the institution, \$24,620.

Probation system,  
U. S. courts.  
46 Stat. 503.  
18 U. S. C. § 726.

Probation system, United States courts: For salaries and expenses of probation officers, as authorized by the Act entitled "An Act to amend the Act of March 4, 1925, chapter 521, and for other purposes", approved June 6, 1930 (18 U. S. C. 726), \$662,620: *Provided*, That no part of this sum shall be used to defray the salary or expenses of any probation officer whose work fails to comply with the standards promulgated by the Attorney General, and no part may be used for the payment of compensation of new probation officers who, in the judgment of the Attorney General, do not have proper qualifications as prescribed by him: *Provided further*, That United States probation officers may be allowed, in lieu of actual expenses of transportation, not to exceed 3 cents per mile for the use of their own automobiles for transportation when traveling on official business within the city limits of their official station.

*Proviso.*  
Restriction on use  
of funds.

Transportation al-  
lowance.

Support of prison-  
ers, non-Federal insti-  
tutions and in Alaska.

Support of United States prisoners in non-Federal institutions and in Alaska: For support of United States prisoners in non-Federal institutions and in the Territory of Alaska, including necessary clothing and medical aid, discharge gratuities provided by law, and transportation to place of conviction or place of bona fide residence in the United States, or such other place within the United States as may be authorized by the Attorney General; and including rent, repair, alteration, and maintenance of buildings and the maintenance of prisoners therein, occupied under authority of sections 4 and 5 of the Act of May 14, 1930 (18 U. S. C. 753c, 753d); support of prisoners becoming insane during imprisonment and who continue insane after expiration of sentence, who have no relatives or friends to whom they can be sent; shipping remains of deceased prisoners to their relatives or friends in the United States and interment of deceased prisoners whose remains are unclaimed; expenses incurred in identifying, pursuing, and returning escaped prisoners and for rewards for their recapture; and for repairs, betterments, and improvements of United States jails, including sidewalks, \$1,500,000.

46 Stat. 326.  
18 U. S. C. §§ 753c,  
753d.

## JUDICIAL

## UNITED STATES SUPREME COURT

**Salaries:** For the Chief Justice and eight Associate Justices; Reporter of the Court; and all other officers and employees, whose compensation shall be fixed by the Court, except as otherwise provided by law, and who may be employed and assigned by the Chief Justice to any office or work of the Court; \$430,660.

**Printing and binding:** For printing and binding for the Supreme Court of the United States, \$23,500, to be expended as required without allotment by quarters, and to be executed by such printer as the Court may designate.

**Miscellaneous expenses:** For miscellaneous expenses of the Supreme Court of the United States, to be expended as the Chief Justice may approve, \$25,000.

**Structural and mechanical care of the building and grounds:** For such expenditures as may be necessary to enable the Architect of the Capitol to carry out the duties imposed upon him by the Act approved May 7, 1934 (40 U. S. C. 13a-13d), including improvements, maintenance, repairs, equipment, supplies, materials, and appurtenances, and personal and other services, and for snow removal by hire of men and equipment or under contract without compliance with sections 3709 and 3744 of the Revised Statutes (41 U. S. C. 5, 16), \$61,500.

## UNITED STATES COURTS FOR THE DISTRICT OF COLUMBIA

Sixty per centum of the expenditures for the District Court of the United States for the District of Columbia from all appropriations under this title and 30 per centum of the expenditures for the United States Court of Appeals for the District of Columbia from all appropriations under this title shall be reimbursed to the United States from any funds in the Treasury to the credit of the District of Columbia.

**Repairs and improvements, District Court of the United States for the District of Columbia:** For repairs and improvements to the courthouse, including repair and maintenance of the mechanical equipment, and for labor and material and every item incident thereto, \$16,260, to be expended under the direction of the Architect of the Capitol.

**Repairs and improvements, United States Court of Appeals for the District of Columbia:** For repairs and improvements to the United States Court of Appeals Building, including repair and maintenance of the mechanical equipment, and for labor and material and every item incident thereto, \$11,000, of which \$9,000 shall be available immediately for changing elevator in said building from direct to alternating current, including replacement of elevator equipment, to be expended under the direction of the Architect of the Capitol.

## COURT OF CUSTOMS AND PATENT APPEALS

**Salaries:** Presiding judge and four associate judges and all other officers and employees of the court, \$101,120.

**Contingent expenses:** For books and periodicals, including their exchange; stationery, supplies, traveling expenses; drugs, chemicals, cleansers, furniture; and for such other miscellaneous expenses as may be approved by the presiding judge, \$2,800.

**Printing and binding:** For printing and binding, \$6,250.

Judicial.

United States Supreme Court.

Salaries.

Printing and binding.

Miscellaneous expenses.

Care of building and grounds.

48 Stat. 663.  
40 U. S. C. §§ 13a-13d.R. S. §§ 3709, 3744.  
41 U. S. C. §§ 5, 16.

United States Courts for the District of Columbia.

Division of expenditures.

Courthouse, repairs and improvements.

U. S. Court of Appeals Building, repairs and improvements.

Elevator.

Court of Customs and Patent Appeals.

Salaries.

Contingent expenses.

Printing and binding.



## United States Customs Court.

## Salaries.

Salaries: Presiding judge and eight judges; and all other officers and employees of the court, \$232,800.

## Contingent expenses.

Contingent expenses: For books and periodicals, including their exchange; stationery, supplies, traveling expenses; and for such other miscellaneous expenses as may be approved by the presiding judge, \$13,500.

## Printing and binding.

Printing and binding: For printing and binding, \$1,000.

## Court of Claims.

## COURT OF CLAIMS

## Salaries.

Salaries: Chief justice and four judges; chief clerk at not exceeding \$6,500; auditor at not exceeding \$5,000; and all other officers and employees of the court, \$122,160.

## Contingent expenses.

Contingent expenses: For stationery, court library, repairs, fuel, electric light, and other miscellaneous expenses, \$10,500.

## Printing and binding.

Printing and binding: For printing and binding, \$25,500.

## Commissioners, salaries and expenses.

Salaries and expenses of commissioners: For salaries of six regular commissioners and for traveling expenses, compensation of stenographers authorized by the court, and for stenographic and other fees and charges necessary in the taking of testimony and in the performance of the duties as authorized by the Act entitled "An Act amending section 2 and repealing section 3 of the Act approved February 24, 1925 (28 U. S. C. 269, 270), entitled 'An Act to authorize the appointment of commissioners by the Court of Claims and to prescribe their powers and compensation', and for other purposes", approved June 23, 1930 (28 U. S. C. 270), \$65,500.

46 Stat. 799.  
28 U. S. C. §§ 269,  
270.  
Repairs, etc., to  
buildings.

Repairs, furnishings, and so forth: For necessary repairs, furnishings, and improvements to the Court of Claims buildings, to be expended under the supervision of the Architect of the Capitol, \$5,000.

## Territorial Courts, Hawaii.

## TERRITORIAL COURTS

## Salaries.

Salaries: For salaries of the chief justice and two associate justices, and for judges of the circuit courts in Hawaii, \$96,000.

## District Court, Panama Canal Zone.

## DISTRICT COURT, PANAMA CANAL ZONE

## Salaries.

Salaries: For salaries of the officials and employees of the District Court of the United States for the Panama Canal Zone, \$46,085, together with not to exceed \$1,500 of the unexpended balance of the appropriation for this purpose in the Department of Justice Appropriation Act, 1938, and such amount shall be available to pay additional compensation to the following officials of the court for the fiscal year 1938: district attorney, \$500; assistant district attorney, \$250; marshal, \$500; deputy marshal, \$250: *Provided further*, That during the fiscal year 1939 the compensation of the court officials named shall be at the rates as follows: District attorney, \$5,500; assistant district attorney, \$4,050; marshal, \$5,500; deputy marshal, \$3,125.

## 50 Stat. 277.

## Additional compensation.

*Proviso.*  
Compensation of  
designated officials,  
fiscal year 1939.

## United States Court for China.

## UNITED STATES COURT FOR CHINA

## Salaries and expenses.

Salaries and expenses: For salaries of the judge, district attorney, and other officers and employees of the United States Court for China; allowances for living quarters, including heat, fuel, and light, as authorized by the Act approved June 26, 1930 (5 U. S. C. 118a), not to exceed \$1,700 for any one person; court expenses, including reference and law books, printing and binding, ice and drinking water for office purposes, traveling expenses of officers and employees of the court, and, under such regulations as the Attorney General

46 Stat. 818.  
5 U. S. C. § 118a.

may prescribe, of their families and effects, in going to and returning from their posts; preparation and transportation of remains of officers and employees who may die abroad or in transit while in the discharge of their official duties, to their former homes in the United States, or to a place not more distant for interment and for the ordinary expenses of such interment; including travel expenses of officers and employees of the court and of their dependents, while en route to or from places of temporary refuge in time of war, political disturbance, earthquake, epidemic, or similar emergency; the expense of maintaining in China American convicts and persons declared insane by the court, rent of quarters for prisoners, ice and drinking water for prison purposes, including wages of prison keepers, and the expense of keeping, feeding, and transporting prisoners and persons declared insane by the court, \$51,000.

Transportation of remains of officers, etc., dying abroad.

Maintenance of prisoners and insane.

#### SALARIES OF JUDGES

For salaries of fifty circuit judges; one hundred and seventy-two district judges (including two in the Territory of Hawaii, one in the Territory of Puerto Rico, four in the Territory of Alaska, and one in the Virgin Islands); and judges retired under section 260 of the Judicial Code, as amended, and section 518 of the Tariff Act of 1930; in all, \$2,593,000: *Provided*, That this appropriation shall be available for the salaries of all United States justices and circuit and district judges lawfully entitled thereto, whether active or retired.

Salaries of judges.

Retired judges.  
28 U. S. C. § 375.  
46 Stat. 737.  
19 U. S. C. § 1518.  
*Proviso.*  
Availability.

#### MARSHALS, AND OTHER EXPENSES OF UNITED STATES COURTS

Salaries and expenses of marshals, and so forth: For salaries, fees, and expenses of United States marshals and their deputies, including services rendered in behalf of the United States or otherwise, services in Alaska in collecting evidence for the United States when so specifically directed by the Attorney General, traveling expenses, purchase, when authorized by the Attorney General, of ten motor-propelled passenger-carrying vans at not to exceed \$2,000 each, and maintenance, alteration, repair, and operation of motor-propelled passenger-carrying vehicles used in connection with the transaction of the official business of the United States marshals, \$3,634,440: *Provided*, That United States marshals and their deputies may be allowed, in lieu of actual expenses of transportation, not to exceed 3 cents per mile for the use of their own automobiles for transportation when traveling on official business within the limits of their official station.

United States Courts.

Marshals, etc.  
Salaries and expenses.

Services in Alaska.

*Proviso.*  
Transportation allowance.

Salaries and expenses of district attorneys, and so forth: For salaries and expenses of United States district attorneys and their regular assistants, clerks and other employees, including the office expenses of United States district attorneys in Alaska, and for salaries of regularly appointed clerks to United States district attorneys for services rendered during vacancy in the office of the United States district attorney, \$3,010,000.

District attorneys, etc.  
Salaries and expenses.

Salaries and expenses of special attorneys, and so forth: For compensation of special attorneys and assistants to the Attorney General and to United States district attorneys employed by the Attorney General to aid in special cases, and for payment of foreign counsel employed by the Attorney General in special cases, \$613,600, no part of which, except for payment of foreign counsel, shall be used to pay the compensation of any persons except attorneys duly licensed and authorized to practice under the laws of a State, Territory, or the District of Columbia: *Provided*, That the amount paid as compensation out of the funds herein appropriated to any person

Special attorneys, etc.  
Salaries and expenses.

Foreign counsel.

*Provisos.*  
Compensation limitation.

Reports to Congress.	employed hereunder shall not exceed the rate of \$10,000 per annum: <i>Provided further</i> , That reports be submitted to the Congress on the 1st day of July and January showing the names of the persons employed hereunder, the annual rate of compensation or amount of any fee paid to each together with a description of their duties.
Clerks of courts. Salaries and expenses.	Salaries and expenses, clerks of courts: For salaries of clerks of United States circuit courts of appeals and United States district courts, their deputies, and other assistants, and expenses of conducting their respective offices, \$2,191,140.
Fees of commissioners, etc.	Fees of commissioners: For fees of the United States commissioners and other committing magistrates acting under section 1014, Revised Statutes (18 U. S. C. 591), \$300,000.
R. S. § 1014. 18 U. S. C. § 591.	
Jurors and witnesses. Fees, mileage, per diems, etc. <i>Ante</i> , p. 127.	Fees of jurors and witnesses: For mileage and per diems of jurors; for mileage and per diems of witnesses and for per diems in lieu of subsistence; and for payment of the expenses of witnesses, as provided by section 850, Revised Statutes (28 U. S. C. 604), including the expenses, mileage, and per diems of witnesses on behalf of the Government before the United States Customs Court, such payments to be made on the certification of the attorney for the United States and to be conclusive as provided by section 846, Revised Statutes (28 U. S. C. 577), \$3,408,000: <i>Provided</i> , That not to exceed \$25,000 of this amount shall be available for such compensation and expenses of witnesses or informants as may be authorized or approved by the Attorney General, which approval shall be conclusive: <i>Provided further</i> , That no part of the sum herein appropriated shall be used to pay any witness more than one attendance fee for any one calendar day, which fee shall not exceed \$1.50.
R. S. § 850. 28 U. S. C. § 604.	
R. S. § 846. 28 U. S. C. § 577. <i>Provisos.</i> Authorization, etc., by Attorney General.	
Attendance fee, limitation.	Salaries and expenses of bailiffs, and so forth: For bailiffs, not exceeding three bailiffs in each court, except in the southern district of New York and the northern district of Illinois; meals and lodging for jurors in United States cases, and of bailiffs in attendance upon the same, when ordered by the court, and meals and lodging for jurors in Alaska, as provided by section 193, title II, of the Act of June 6, 1900 (28 U. S. C. 9, 557-570, 595, 596), and compensation for jury commissioners, \$5 per day, not exceeding three days for any one term of court, \$271,660: <i>Provided</i> , That, excepting in the case of bailiffs in charge of juries over Sundays and holidays, no per diem shall be paid to any bailiff unless the court is actually in session and the judge present and presiding or present in chambers: <i>Provided further</i> , That none of this appropriation shall be used for the pay of bailiffs when deputy marshals or marshals are available for the duties ordinarily executed by bailiffs, the fact of unavailability to be determined by the certificate of the marshal.
Bailiffs, etc. Salaries and expenses.	
Jury expenses. Alaska.	
31 Stat. 362. 28 U. S. C. §§ 9, 557-570, 595, 596. Jury commissioners. <i>Provisos.</i> Per diems, limitation on payment.	
Use of funds limited.	Miscellaneous salaries: For salaries of all officials and employees of the Federal judiciary, not otherwise specifically provided for, \$737,650: <i>Provided</i> , That the maximum salary paid to any stenographer or law clerk to any circuit or district judge shall not exceed \$2,500 per annum: <i>Provided further</i> , That this limitation shall not operate to reduce the compensation of any stenographer now employed.
Miscellaneous salaries.	
<i>Provisos.</i> Stenographers or law clerks, salary limitation. Present stenographers not affected.	
Miscellaneous expenses.	Miscellaneous expenses (other than salaries): For such miscellaneous expenses as may be authorized or approved by the Attorney General, for the United States courts and their officers, including experts, and notarial fees or like services and stenographic work in taking depositions, at such rates of compensation as may be authorized or approved by the Attorney General, so much as may be necessary in the discretion of the Attorney General for such expenses in the District of Alaska, the Court of Claims, and in courts other than Federal courts; patent applications and contested proceedings involv-
Alaska.	

ing inventions; rent of rooms for United States courts and judicial officers; supplies, including the exchange of typewriting and adding machines, for the United States courts and judicial officers, including firearms and ammunition therefor; purchase of law books, including the exchange thereof, for United States judges, district attorneys, and other judicial officers, including the libraries of the ten United States circuit courts of appeals, and the Federal Reporter and continuations thereto as issued, \$551,290: *Provided*, That such books shall in all cases be transmitted to their successors in office; all books purchased hereunder to be marked plainly, "The Property of the United States": *Provided further*, That not to exceed \$2 per volume shall be paid for the current and future volumes of the United States Code, Annotated, and that the reports of the United States Court of Appeals for the District of Columbia shall not be sold for a price exceeding that approved by the court and for not more than \$6.50 per volume.

Rent, supplies, etc.

Law books for judicial officers.

Federal Reporter.

Provisos.  
Transmittal to successors.

United States Code, Annotated, price limitation.

## GENERAL PROVISIONS

General provisions.

Funds available to any executive department, independent establishment, or other Federal agency for the acquisition of lands shall be available, in such amounts as the Director of the Bureau of the Budget may determine to be necessary, for transfer to the Department of Justice for payment of salaries and other expenses in the District of Columbia and elsewhere necessary for the examination of title and prosecution of condemnation proceedings with respect to such lands, including traveling expenses, notarial fees, stenographic reporting services by contract or otherwise, printing and binding, commissioners' fees, and payment of compensation of expert witnesses at such rates as may be authorized or approved by the Attorney General.

Transfer of funds for examining land titles.

None of the money appropriated by this title shall be used to pay any witness, juror, or bailiff more than one per diem for any one day's service even though he serves in more than one of such three capacities on the same day.

Attendance fees, witnesses, etc.; limitation.

None of the funds appropriated by this title may be used to pay the compensation of any person hereafter employed as an attorney unless such person shall be duly licensed and authorized to practice as an attorney under the laws of a State, Territory, or the District of Columbia.

License requirement for attorneys.

No part of the funds appropriated by this title for salaries of judges, the Attorney General, Assistant Attorneys General, Solicitor General, district attorneys, marshals, and clerks of court shall be used for any other purpose whatsoever, but such salaries shall be allotted out of appropriations herein made for such salaries and retained by the Department and paid to such officials severally, as and when such salaries fall due and without delay.

Restriction on use of designated funds.

This title may be cited as the "Department of Justice Appropriation Act, 1939".

Short title.

## TITLE III—DEPARTMENT OF COMMERCE

## OFFICE OF THE SECRETARY

Salaries: Secretary of Commerce, two Assistant Secretaries, and other personal services in the District of Columbia, including the Chief Clerk and Superintendent, who shall be chief executive officer of the Department and who may be designated by the Secretary of Commerce to sign minor routine official papers and documents during the temporary absence of the Secretary and the Assistant Secretaries of the Department, \$355,000.

Department of Commerce Appropriation Act, 1939.

Office of the Secretary.

Salaries.

Contingent and miscellaneous expenses.

Vehicles.

Traveling expenses.

43 Stat. 1261.  
33 U. S. C. § 765.

*Proviso.*  
Hire of automobiles.

38 Stat. 508.  
5 U. S. C. § 78.  
Printing and binding.

*Proviso.*  
Detail of copy editors.

Bureau of Air Commerce.

Departmental salaries.

Air-navigation facilities.  
Establishment of aids, mail routes, etc.  
*Post*, p. 1028.

Contingent expenses: For contingent and miscellaneous expenses of the offices and bureaus of the Department, except the Patent Office, including those for which appropriations for contingent and miscellaneous expenses are specifically made, including professional and scientific books, lawbooks, books of reference, periodicals, blank books, pamphlets, maps, newspapers (not exceeding \$1,500); purchase of atlases or maps; stationery; furniture and repairs to same; carpets, matting, oilcloth, file cases, towels, ice, brooms, soap, sponges; fuel, lighting, and heating; purchase and exchange of motortrucks and bicycles; purchase, including exchange, of one motor-propelled passenger-carrying vehicle for the official use of the Secretary of Commerce, \$1,800; maintenance, repair, and operation of three motor-propelled passenger-carrying vehicles (one for the Secretary of Commerce and two for the general use of the Department), and motortrucks and bicycles, to be used only for official purposes; freight and express charges; postage to foreign countries; telegraph and telephone service; typewriters, adding machines, and other labor-saving devices, including their repair and exchange; first-aid outfits for use in the buildings occupied by employees of this Department; and all other necessary miscellaneous items including examination of estimates of appropriation in the field not included in the foregoing, \$129,800, which sum shall constitute the appropriation for contingent expenses of the Department, except the Patent Office, and shall also be available for the purchase of necessary supplies and equipment for field services of bureaus and offices of the Department for which contingent and miscellaneous appropriations are specifically made in order to facilitate the purchase through the central purchasing office (Division of Purchases and Sales), as provided by law.

Traveling expenses: For all necessary traveling expenses under the Department of Commerce, including all bureaus and divisions thereunder, and traveling expenses for the examinations authorized by the Act entitled "An Act to provide for retirement for disability in the Lighthouse Service", approved March 4, 1925 (U. S. C., title 33, sec. 765), but not including travel properly chargeable to the appropriation herein for "Transportation of families and effects of officers and employees and allowances for living quarters", Bureau of Foreign and Domestic Commerce, \$1,171,150: *Provided*, That not exceeding \$6,000 of this appropriation shall be available for the hire of automobiles for travel on official business, without regard to the provisions of the Act of July 16, 1914 (38 Stat. 508).

Printing and binding: For all printing and binding for the Department of Commerce, including all of its bureaus, offices, institutions, and services in the District of Columbia and elsewhere, except the Patent Office, \$500,000: *Provided*, That an amount not to exceed \$2,000 of this appropriation may be expended for salaries of persons detailed from the Government Printing Office for service as copy editors.

#### BUREAU OF AIR COMMERCE

Departmental salaries: For personal services in the District of Columbia, \$650,000.

Establishment of air-navigation facilities: For the establishment of additional aids to air navigation, including the equipment of additional air-mail routes for day and night flying; the construction of additional necessary lighting, radio, and other signaling and communicating structures and apparatus; the alteration and modernization of existing aids to air navigation; for personal services in the field; maintenance, repair, and operation of automobiles; for purchase, including exchange, of an automobile; special clothing, wear-

ing apparel, and suitable equipment for aviation purposes; and for the acquisition of the necessary sites by lease or grant, \$4,575,000, of which amount \$2,000,000 shall be available for the payment of contractual obligations authorized to be incurred prior to July 1, 1938, by the first proviso under this head in the Department of Commerce Appropriation Act, 1938: *Provided*, That in addition to the amount herein appropriated, the Secretary of Commerce may, prior to July 1, 1939, enter into contracts for the purchase, construction, and installation of additional air navigation aids not in excess of \$2,000,000 which authorization is in lieu of, and not in addition to, the authorization contained in said proviso to incur contractual obligations in the same amount prior to July 1, 1939: *Provided further*, That the Secretary of Commerce before entering into any such contract shall personally certify that in his opinion it is necessary in the public interest: *Provided further*, That a full report of all such certifications and of all expenditures under this item shall be made to Congress on or before July 1, 1939.

*Provisos.*  
Contracts author-  
ized.

Certificate of neces-  
sity.

Report to Congress.

Maintenance of air-navigation facilities: For all necessary expenses of operation, maintenance, and upkeep of existing aids to air navigation, including purchase, exchange, maintenance, operation, and repair of motor-propelled passenger-carrying vehicles; purchase of special clothing, wearing apparel, and suitable equipment for aviation purposes (including rubber boots, snowshoes, and skis); books of reference and periodicals; \$6,758,680.

Maintenance of air-  
navigation facilities.

Aircraft in commerce: To carry out the provisions of the Act approved May 20, 1926, entitled "An Act to encourage and regulate the use of aircraft in commerce, and for other purposes", as amended by the Act approved February 28, 1929, and the Acts approved June 19, 1934 (49 U. S. C. 171-184), including personal services in the field; control of air traffic on civil airways at air terminals, including necessary equipment therefor; rent in the District of Columbia and elsewhere; contract stenographic reporting services; fees and mileage of witnesses; purchase of furniture and equipment; stationery and supplies, including medical supplies, typewriting, adding, and computing machines, accessories, and repairs; purchase, including exchange (not to exceed \$10,000), maintenance, operation, and repair of motor-propelled passenger-carrying vehicles for official use in field work; purchase of special clothing, wearing apparel, and similar equipment for aviation purposes; purchase of books of reference and periodicals; newspapers, reports, documents, plans, specifications, maps, manuscripts, and other publications; and all other necessary expenses not included in the foregoing; in all, \$1,249,800.

Aircraft in com-  
merce.  
Services and ex-  
penses.

44 Stat. 568; 48 Stat.  
1113.  
49 U. S. C. §§ 171-  
184.

Safety and planning: Further to carry out the provisions of the Act approved May 20, 1926, entitled "An Act to encourage and regulate the use of aircraft in commerce, and for other purposes", as amended by the Act approved February 28, 1929, and the Acts approved June 19, 1934, through safety research relative to aviation equipment, personnel, and operation methods; including not to exceed \$75,000 for personal services in the District of Columbia and not to exceed \$80,000 for personal services in the field; not to exceed \$1,000 for the purchase of books of reference and periodicals; purchase of reports, documents, plans, specifications, and manuscripts; maintenance, repair, and operation of motor-propelled passenger-carrying vehicles; and all other necessary expenses, \$258,000.

Safety and plan-  
ning.

44 Stat. 568; 45 Stat.  
1401; 48 Stat. 1113.  
49 U. S. C. §§ 171-  
184.

Purchase and maintenance of aircraft: For all necessary expenses, except personal services of Bureau of Air Commerce employees, of purchase, including exchange, operation, maintenance, repair, and overhaul of aircraft, aircraft power plants, propellers, and equipment,

Purchase, etc., of  
aircraft.

*Proviso.*  
Restriction on use  
of funds.

44 Stat. 569; 48 Stat.  
1113.  
49 U. S. C. § 172 (d).

Illustrating work at  
meetings.

Attendance at meet-  
ings, availability of  
funds.

Transportation of  
household effects.

*Provisos.*  
Minor purchases.  
R. S. § 3709.  
41 U. S. C. § 5.

Restriction on use  
of funds.

Bureau of Foreign  
and Domestic Com-  
merce.  
Salaries and ex-  
penses, Washington  
Commerce Service.

49 Stat. 1333.

China Trade Act,  
administration.

and spare parts therefor, \$335,000: *Provided*, That this appropriation shall not be available for the procurement of experimental aircraft, aircraft power plants, and accessories required to carry out the provisions of section 2 (d) of the Air Commerce Act of 1926 (Public, Numbered 254, Sixty-ninth Congress), as amended by the Act of June 19, 1934 (Public, Numbered 418, Seventy-third Congress) for the development of aircraft, aircraft power plants, and accessories, which items shall be purchased under the appropriation for "Safety and planning".

Appropriations herein made for aircraft in commerce and maintenance of air-navigation facilities shall be available in an amount not to exceed \$200 for expenses of illustrating the work of the Bureau of Air Commerce at meetings concerned with the promotion of civil aeronautics.

The appropriations under title III herein for traveling expenses shall be available in an amount not to exceed \$1,800 for expenses of attendance at meetings concerned with the promotion of civil aeronautics when incurred on the written authority of the Secretary of Commerce and shall also be available for payments, at a rate of not to exceed 3 cents per mile, to maintenance and operating personnel, Bureau of Air Commerce, as reimbursement to such personnel of the expenses of the necessary travel in their personally owned automobiles in connection with the maintenance and operation of remotely controlled air-navigation facilities, all of which may be considered as being within the limits of the official post of duty of such personnel. Appropriations herein made for maintenance of air-navigation facilities and aircraft in commerce shall be available in a total amount of not to exceed \$15,000 for expenses of packing, crating, and transporting household effects of employees, in any one case not to exceed six thousand pounds (net weight when shipped without packing), when transferred from one official station to another for permanent duty: *Provided*, That section 3709 of the Revised Statutes of the United States (41 U. S. C. 5) shall not be construed to apply to any purchase or service rendered for the Bureau of Air Commerce when the aggregate amount involved does not exceed \$100: *Provided further*, That no part of the appropriations made herein for the Bureau of Air Commerce shall be used for any purpose not authorized by the Air Commerce Act of 1926, as amended.

#### BUREAU OF FOREIGN AND DOMESTIC COMMERCE

Salaries and expenses, Washington Commerce Service: For the salary of the Director and other personal services in the District of Columbia, including the functions set forth under the Bureau of Foreign and Domestic Commerce, Department of Commerce, Appropriation Act for 1937, approved May 15, 1936, and for every necessary expense connected with collecting and compiling lists of foreign buyers and reports thereon; administration of the China Trade Act in the District of Columbia; collecting and compiling information regarding the restrictions and regulations of trade imposed by foreign countries; establishment, operation, and maintenance of foreign trade zones in ports of entry of the United States, including contract stenographic reporting services and fees for mileage of witnesses; purchases, for use in Washington or the field offices, of furniture, equipment, stationery and supplies, typewriting, adding and computing, mimeographing, multigraphing, photostat, and other duplicating machines and devices, including their exchange and repair, telegraph and telephone service, accessories and

repairs, books of reference, newspapers, periodicals, reports, documents, plans and specifications, freight, express, drayage, and street-car fares; \$543,800.

**Domestic commerce and raw-materials investigations:** For personal services of officers and employees to enable the Bureau of Foreign and Domestic Commerce to collect and compile information regarding the disposition and handling of raw materials and manufactures within the United States; and to investigate the conditions of production and marketing of foreign raw materials essential for American industries, \$330,000.

Domestic commerce and raw-materials investigations.

**District and cooperative office service:** For all expenses necessary to operate and maintain district and cooperative offices, including personal services, rent outside of the District of Columbia, purchase of furniture and equipment, stationery and supplies, typewriting, adding and computing machines, accessories and repairs, purchase of maps, books of reference, and periodicals, reports, documents, plans, specifications, manuscripts, newspapers, both foreign and domestic (not exceeding \$300), and all other publications necessary for the promotion of the commercial interests of the United States, and all other necessary incidental expenses not included in the foregoing, \$323,000.

District and cooperative office service.

**Export industries:** To enable the Bureau of Foreign and Domestic Commerce to investigate and report on domestic as well as foreign problems relating to the production, distribution, and marketing, insofar as they relate to the important export industries of the United States, including personal services, purchase of furniture and equipment, stationery and supplies, typewriting, adding and computing machines, accessories and repairs, books of reference and periodicals, reports, documents, plans, specifications, manuscripts, and all other publications, rent outside of the District of Columbia, ice and drinking water for office purposes and all other necessary incidental expenses connected therewith, \$530,000.

Export industries. Investigations and reports.

**Salaries and expenses, Foreign Commerce Service:** For the promotion and development of the foreign commerce of the United States and for carrying out the provisions of the Act approved March 3, 1927, as amended (15 U. S. C. 197-197f, 198), to establish in the Bureau of Foreign and Domestic Commerce, Department of Commerce, a Foreign Commerce Service of the United States, including personal services in the District of Columbia and elsewhere, the compensation of a clerk or clerks for each commercial attaché at a rate not to exceed \$3,000 per annum for each person so employed, and to carry out the provisions of the Act entitled "China Trade Act, 1922", including rent outside of the District of Columbia, the purchase of necessary furniture and equipment, loss by exchange, stationery and supplies, typewriting, adding, duplicating, and computing machines, accessories and repairs, law books, books of reference, and periodicals, uniforms, maps, reports, documents, plans, specifications, manuscripts, newspapers (not exceeding \$2,500), ice and drinking water for office purposes, and for every necessary incidental expense not included in the above, \$764,500: *Provided*, That Foreign Commerce Service officers are authorized to enter into leases for office quarters, and payment in advance for rent, telephone, or other charges required by the customs of the country is hereby authorized: *Provided further*, That the purchase of supplies and equipment or the procurement of services in foreign countries may be made in the open market without compliance with section 3709 of the Revised Statutes of the United States (41 U. S. C. 5) in the manner common among businessmen when the aggregate amount of the purchase or the service does not exceed \$100 in any instance.

Foreign Commerce Service.

44 Stat. 1394.  
15 U. S. C. §§ 197-197f, 198.

Personal services.

China Trade Act, enforcement.  
15 U. S. C. §§ 141-162.

Supplies.

Provisos.  
Leases, etc.

Open-market purchase of supplies.

R. S. § 3709.  
41 U. S. C. § 5.



Restriction on use  
of funds.

No part of the funds herein appropriated for the Bureau of Foreign and Domestic Commerce shall be used to pay the salary of any employee or officer, other than the Director and Assistant Directors, engaged on regular work of the Bureau within the continental limits of the United States, for a period longer than three consecutive months, at an annual rate in excess of \$7,000 per annum.

Customs statistics.

42 Stat. 1109.  
15 U. S. C. § 194.

Customs statistics: For all expenses necessary for the operation of the section of customs statistics transferred to the Department of Commerce from the Treasury Department by the Act approved January 5, 1923 (15 U. S. C. 194), and expenses connected with the monthly publication of statistics showing the United States exports and imports by customs districts and destinations, including personal services in the District of Columbia (not to exceed \$100,000) and elsewhere; rent of or purchase of tabulating, punching, sorting, and other mechanical labor-saving machinery or devices, including adding, typewriting, billing, computing, mimeographic, multigraphing, photostat, and other duplicating machines and devices, including their exchange and repair; telegraph and telephone service; freight, express, drayage; tabulating cards, stationery, and miscellaneous office supplies; books of reference and periodicals; furniture and equipment; ice, water, heat, light, and power; streetcar fare; and all other necessary incidental expenses not included in the foregoing; \$403,000.

Transportation of  
families and effects of  
officers, etc.

Transportation of families and effects of officers and employees and allowances for living quarters: To pay the traveling expenses and expenses of transportation, under such regulations as the Secretary of Commerce may prescribe, of families and effects of officers and employees of the Bureau of Foreign and Domestic Commerce in going to and returning from their posts, or when traveling under the order of the Secretary of Commerce, and also for defraying the expenses of preparing and transporting the remains of officers and employees of the Bureau of Foreign and Domestic Commerce who may die abroad or in transit, while in the discharge of their official duties, to their former homes in this country, or to a place not more distant, for interment, and for the ordinary expenses of such interment; to enable the Secretary of Commerce, under such regulations as he may prescribe, in accordance with the provisions of the Act entitled "An Act to amend the Act entitled 'An Act to establish in the Bureau of Foreign and Domestic Commerce of the Department of Commerce, a Foreign Commerce Service of the United States, and for other purposes', approved March 3, 1927", approved April 12, 1930 (15 U. S. C. 197f), to furnish the officers in the Foreign Commerce Service of the Bureau of Foreign and Domestic Commerce stationed in a foreign country, without cost to them and within the limits of this appropriation, allowances for living quarters, heat, and light, notwithstanding the provisions of section 1765 of the Revised Statutes (5 U. S. C. 70), \$143,800: *Provided*, That the maximum allowance to any officer shall not exceed \$1,700.

Transportation of  
remains of officers, etc.,  
dying abroad.

Living quarters, al-  
lowances.

44 Stat. 1395; 46 Stat.  
163.  
15 U. S. C. § 197b (f).

R. S. § 1765.  
5 U. S. C. § 70.  
*Proviso.*  
Maximum allow-  
ance.  
Attendance at meet-  
ings.

The appropriation herein under title III for traveling expenses shall be available in an amount not to exceed \$5,000 for expenses of attendance at meetings concerned with the promotion of foreign and domestic commerce, or either, and also expenses of illustrating the work of the Bureau of Foreign and Domestic Commerce by showing of maps, charts, and graphs at such meetings, when incurred on the written authority of the Secretary of Commerce.

Bureau of the Cen-  
sus.  
Services and ex-  
penses.

#### BUREAU OF THE CENSUS

For expenses for securing information for and compiling the census reports provided for by law, including personal services in

the District of Columbia and elsewhere; compensation and expenses of enumerators, special agents, supervisors, supervisor's clerks, and interpreters in the District of Columbia and elsewhere; the cost of transcribing State, municipal, and other records; temporary rental of quarters outside the District of Columbia; not to exceed \$2,500 for the employment by contract of personal services for the preparation of monographs on census subjects; not to exceed \$54,000 for constructing tabulating machines and repairs to such machinery and other mechanical appliances, including technical, mechanical, and other personal services in connection therewith in the District of Columbia and elsewhere, and the purchase of necessary machinery and supplies, \$1,910,000, of which amount not to exceed \$1,513,500 may be expended for personal services in the District of Columbia, including not to exceed \$120,000 for temporary employees who may be appointed by the Director of the Census under civil-service rules, at per diem rates to be fixed by him without regard to the provisions of the Classification Act of 1923, as amended, for the purpose of assisting in periodical inquiries.

The appropriation under title III herein for traveling expenses shall be available for the Census Bureau, in an amount not to exceed \$500, for attendance at meetings concerned with the collection of statistics when incurred on the written authority of the Secretary of Commerce.

Salaries and expenses, Social Security Act: For salaries and necessary expenses for searching census records and supplying information incident to carrying out the provisions of the Social Security Act, approved August 14, 1935 (42 U. S. C., ch. 7), including personal services in the District of Columbia; binding records; supplies; services; repairs to, and replacement parts for, office and mechanical equipment for the reproduction of census records, \$80,000: *Provided*, That the procedure hereunder for the furnishing from census records of evidence for the establishment of age of individuals shall be pursuant to regulations approved jointly by the Secretary of Commerce and the Social Security Board.

Expenses of the sixteenth census: For expenses preparatory to the taking of the sixteenth decennial census, including compensation of employees who may be appointed by the Director of the Census under the civil-service rules for any period not to exceed June 30, 1942, at per diem rates to be fixed by the Director of the Census without regard to the Classification Act of 1923, as amended; materials, supplies, equipment, services, and tabulation cards; repair and maintenance of typewriters, calculating machines, punch machines, and other office appliances; rent of buildings in the District of Columbia and elsewhere; traveling expenses; printing and binding, \$100,000, of which amount not to exceed \$35,000 may be expended for personal services in the District of Columbia.

#### BUREAU OF MARINE INSPECTION AND NAVIGATION

Departmental salaries: For the director and other personal services in the District of Columbia, \$336,760.

Salaries and general expenses: For salaries of shipping commissioners, inspectors, and other personal services; to enable the Secretary of Commerce to provide and operate such motorboats and employ such persons as may be necessary for the enforcement, under his direction, of laws relating to navigation and inspection of vessels, boarding of vessels, counting of passengers on excursion boats to prevent overcrowding, and to secure uniformity in the admeasurement of vessels; fees to witnesses; materials, supplies, equipment, and

Monographs.

Tabulating machines.

Services in the District.

Temporary employees.

5 U. S. C. §§ 661-674; Supp. III, §§ 673, 673c.

Attendance at meetings.

Social Security Act, salaries and expenses.

42 U. S. C., Supp. III, ch. 7.

*Proviso.*  
Furnishing evidence for establishing age, etc.

Expenses of sixteenth census.

Bureau of Marine Inspection and Navigation.  
Departmental salaries.

Salaries and general expenses.

*Proviso.*  
Local inspectors,  
overtime pay.

49 Stat. 1385.  
46 U. S. C., Supp.  
III, § 382b.

National Bureau of  
Standards.

Salaries and ex-  
penses.  
31 Stat. 1449.  
5 U. S. C. §§ 591,  
597; 15 U. S. C. §§ 271-  
278.

48 Stat. 552.

Attendance at meet-  
ing of International  
Committee of Weights  
and Measures.  
Detailed Public  
Health Service offi-  
cers.

Supplies, etc.

Equipment.

5 U. S. C. §§ 661-674;  
Supp. III, §§ 673, 673c.

Operation and  
administration.

Testing, inspection,  
and information serv-  
ice.

services, including rent and janitor service; purchase, exchange, and repair of instruments; plans and specifications; insignia, braid, and chin straps; coats, caps, and aprons for stewards' departments on vessels; and other incidental expenses of field offices, including contract stenographic reporting services in the District of Columbia and elsewhere; \$2,322,000: *Provided*, That \$50,000 of the amount herein appropriated shall be available only for the payment of extra compensation for overtime services of local inspectors of steam vessels and their assistants, and United States shipping commissioners and their deputies and assistants, for which the United States receives reimbursement in accordance with the provisions of section 6 of the Act of May 27, 1936 (46 U. S. C. 382b).

#### NATIONAL BUREAU OF STANDARDS

Salaries and expenses: For carrying out the provisions of the Act establishing the National Bureau of Standards, approved March 3, 1901 (5 U. S. C. 591, 597; 15 U. S. C. 271-278), and of Acts supplementary thereto affecting the functions of the Bureau, and specifically including the functions as set forth under the Bureau of Standards in the "Department of Commerce Appropriation Act, 1935", approved April 7, 1934, and for all necessary expenses, purchases, and personnel connected with administration and operation, testing, inspection, and technical information service, research and development, and standards for commerce, including rental of laboratories in the field, communication service, transportation service; streetcar fares not exceeding \$100, expenses of the visiting committee, attendance of American member at the meeting of the International Committee of Weights and Measures; compensation and expenses of medical officers of the Public Health Service detailed to the National Bureau of Standards for the purpose of maintaining a first-aid station and making clinical observations; compiling and disseminating scientific and technical data; demonstrating the results of the Bureau's work by exhibits or otherwise as may be deemed most effective; purchases of supplies, materials, stationery, electric power, fuel for heat, light, and power, and accessories of all kinds needed in the work of the Bureau, including supplies for office, laboratory, shop, and plant, and cleaning and toilet supplies, gloves, goggles, rubber boots, and aprons; contingencies of all kinds; supplies for operation, maintenance, and repair of motortrucks and a passenger automobile for official use, including their exchange; purchases of equipment of all kinds, including its repair and exchange, including apparatus, machines, and tools, furniture, typewriters, adding machines, and other labor-saving devices, books, periodicals, and reference books, including their exchange when not needed for permanent use; translation of technical articles when required; salary of the director and other personal services in the District of Columbia and in the field, in accordance with the Classification Act of 1923, as amended.

Operation and administration: For the general operation and administration of the Bureau; improvement and care of the grounds; plant equipment; necessary repairs and alterations to buildings; \$270,000.

Testing, inspection, and information service: For calibrating and certifying measuring instruments, apparatus, and standards in terms of the national standards; the preparation and distribution of standard materials; the broadcasting of radio signals of standard frequency; the testing of equipment, materials, and supplies in connection with Government purchases; the improvement of methods of

testing; advisory services to governmental agencies on scientific and technical matters; and supplying available information to the public, upon request, in the field of physics, chemistry, and engineering; \$837,000.

**Research and development:** For the maintenance and development of national standards of measurement; the development of improved methods of measurement; the determination of physical constants and the properties of materials; the investigation of mechanisms and structures, including their economy, efficiency, and safety; the study of fluid resistance and the flow of fluids and heat; the investigation of radiation, radioactive substances, and X-rays; the study of conditions affecting radio transmission; the development of methods of chemical analysis and synthesis, and the investigation of the properties of rare substances; investigations relating to the utilization of materials, including lubricants and liquid fuels; the study of new processes and methods of fabrication; and the solutions of problems arising in connection with standards, \$700,000.

Research and development.

**Standards for commerce:** For cooperation with Government purchasing agencies, industries, and national organizations in developing specifications and facilitating their use; for encouraging the application of the latest developments in the utilization and standardization of building materials; for the development of engineering and safety codes, simplified-practice recommendations, and commercial standards of quality and performance, \$110,000.

Standards for commerce.

**Investigation of building materials:** For personal services in the District of Columbia and elsewhere and all other necessary expenses for the second year of a three-year study of the properties and suitability of building materials, with particular reference to their use in low-cost housing, including the construction of such experimental structures as may be necessary for this purpose; and the publication including printing and binding and dissemination of the results thereof, \$198,000: *Provided*, That no part of this sum shall be used to duplicate any work now being performed by the Forest Products Laboratory of the Department of Agriculture.

Investigation of building materials.

*Proviso.*  
Work restriction.

**Public works construction:** For the construction of a laboratory building, including tunnel and generating room, upon the site of the National Bureau of Standards in the District of Columbia, for use in testing electrical and X-ray equipment, and for the purchase and installation therein of equipment for the generation of high voltages and for the testing of X-ray and other electrical apparatus, \$500,000 to be available immediately and to remain available until expended.

Public works construction.

During the fiscal year 1939 the head of any department or independent establishment of the Government having funds available for scientific investigations and requiring cooperative work by the National Bureau of Standards on scientific investigations within the scope of the functions of that Bureau, and which the National Bureau of Standards is unable to perform within the limits of its appropriations, may, with the approval of the Secretary of Commerce, transfer to the National Bureau of Standards such sums as may be necessary to carry on such investigations. The Secretary of the Treasury shall transfer on the books of the Treasury Department any sums which may be authorized hereunder, and such amounts shall be placed to the credit of the National Bureau of Standards for performance of work for the department or establishment from which the transfer is made, including, where necessary, compensation for personal services in the District of Columbia and in the field.

Cooperative work with departments, etc., on scientific investigations.

Transfer of funds.

The appropriation under title III herein for traveling expenses shall be available for the National Bureau of Standards in an amount

Attendance at meetings.

not to exceed \$4,500 for attendance at meetings concerned with standardization and research or either, when incurred on the written authority of the Secretary of Commerce.

Total; services in the District.

Total, National Bureau of Standards, \$2,615,000, of which amount not to exceed \$1,875,000 may be expended for personal services in the District of Columbia.

Bureau of Lighthouses.  
Salaries.

#### BUREAU OF LIGHTHOUSES

**Salaries:** For the Commissioner and other personal services in the District of Columbia, \$130,000, of which sum \$7,440 shall be available for temporary employees.

General expenses.  
Aids to navigation.

**General expenses:** For supplies, including replacement of and necessary additions to existing equipment, repairs, maintenance, and incidental expenses of lighthouses and other lights, beacons, buoyage, fog signals, lighting of rivers heretofore authorized to be lighted, light vessels, other aids to navigation, and lighthouse tenders, including the establishment, repair, and improvement of beacons and day marks, and purchase of land for same; establishment of post lights, buoys, submarine signals, and fog signals; construction of necessary outbuildings, including oil houses at light stations, at a cost not exceeding \$2,500 at any one light station in any fiscal year; improvement of grounds and buildings connected with light stations and depots; restoring light stations and depots and buildings connected therewith: *Provided*, That such restoration shall be limited to the original purpose of the structures; wages of persons attending post lights; temporary employees and field force while engaged on works of general repair and maintenance, and laborers and mechanics at lighthouse depots; rations and provisions or commutation thereof for working parties in the field, officers and crews of light vessels and tenders, and officials and other authorized persons of the Lighthouse Service on duty on board of such tenders or vessels, and money accruing from commutation for rations and provisions for the above-named persons on board of tenders and light vessels or in working parties in the field may be paid on proper vouchers to the person having charge of the mess of such vessel or party; not exceeding \$3,500 for packing, crating, and transporting personal household effects of employees, not to exceed six thousand pounds in any one case, when transferred from one official station to another for permanent duty; purchase of rubber boots, oilskins, rubber gloves, goggles, and coats, caps, and aprons for stewards' departments on vessels; reimbursement under rules prescribed by the Secretary of Commerce of keepers of light stations and masters of light vessels and of lighthouse tenders for rations and provisions and clothing furnished shipwrecked persons who may be temporarily provided for by them, not exceeding in all \$1,000 in any fiscal year; fuel, light, and rent of quarters where necessary for keepers of lighthouses; purchase of land sites for fog signals; rent of necessary ground for all such lights and beacons as are for temporary use or to mark changeable channels and which in consequence cannot be made permanent; rent of offices, depots, and wharves; mileage; library books for light stations and vessels, and technical books and periodicals not exceeding \$750; traveling expenses of teachers while actually employed by States or private persons to instruct the children of keepers of lighthouses; all other contingent expenses of district offices and depots, including the purchase of provisions for sale to lighthouse keepers at isolated stations, and the appropriation reimbursed; purchase (not to exceed \$5,000), exchange, maintenance, operation, and repair of motor-propelled passenger-carrying vehicles

*proviso.*  
Restoration limited to original purpose.  
Personal services.

Transportation of effects.

Rations, clothing, etc.

Vehicles.

for official use in field work; payment of rewards for the apprehension and conviction, or for information helpful to the apprehension and conviction of persons found interfering with aids to navigation maintained by the Lighthouse Service, in violation of section 6 of the Act of May 14, 1908 (33 U. S. C. 761); \$4,280,000.

Special projects, vessels, and aids to navigation: For constructing or purchasing and equipping lighthouse tenders and light vessels for the Lighthouse Service as may be specifically approved by the Secretary of Commerce, not to exceed \$1,264,000; and for establishing and improving aids to navigation and other works as may be specifically approved by the Secretary of Commerce, \$436,000; in all, \$1,700,000, which sums shall be available for all expenditures, directly relating to the respective projects which are approved by the Secretary of Commerce.

Salaries, keepers of lighthouses, and so forth: For salaries of not exceeding one thousand four hundred lighthouse and fog-signal keepers and persons attending lights, exclusive of post lights, \$1,869,500.

Salaries, lighthouse vessels: For salaries and wages of officers and crews of light vessels and lighthouse tenders, including temporary employment when necessary, \$2,332,000.

Salaries, superintendents, clerks, and so forth: For salaries of eighteen superintendents of lighthouses, and of assistant superintendents, clerks, draftsmen, and other authorized permanent employees in the district offices and depots of the Lighthouse Service, exclusive of those regularly employed in the office of the Bureau of Lighthouses, District of Columbia, \$726,100.

Retired pay: For retired pay of officers and employees engaged in the field service or on vessels of the Lighthouse Service, except persons continuously employed in district offices and shops, \$700,000.

#### COAST AND GEODETIC SURVEY

For every expenditure requisite for and incident to the work of the Coast and Geodetic Survey, including maintenance, repair, exchange, and operation of motor-propelled or horse-drawn vehicles for official use in field work, purchase of motorcycles with side cars, including their exchange, not to exceed \$500, surveying instruments, including their exchange, rubber boots, canvas and rubber gloves, goggles, and caps, coats, and aprons for stewards' departments on vessels, packing, crating, and transporting personal household effects of commissioned officers (not to exceed six thousand pounds in any one case), when transferred from one official station to another for permanent duty, extra compensation at not to exceed \$1 per day for each station to employees of the Lighthouse Service and the Weather Bureau while observing tides or currents or tending seismographs, services of one tide observer in the District of Columbia at not to exceed \$1 per day, and compensation, not otherwise appropriated for, of persons employed in the field work, for operation, maintenance and repair of an airplane for photographic survey, and expenses incident to the execution of field work upon approval by the head of the Bureau, to be expended in accordance with the regulations relating to the Coast and Geodetic Survey subscribed by the Secretary of Commerce, and under the following heads:

Field expenses, coastal surveys: For surveys and necessary resurveys of coasts on the Atlantic and Pacific Oceans and the Gulf of Mexico under the jurisdiction of the United States, and including the employment in the field and office of two physicists to develop survey methods based on transmission of sound through sea water

Payment of rewards.

35 Stat. 162.  
33 U. S. C. § 761.  
Special projects, vessels, and aids to navigation.

Availability.

Keepers of lighthouses, etc., salaries.

Lighthouse vessels, salaries.

Superintendents, clerks, etc., salaries.

Retired pay.

Coast and Geodetic Survey.

Expenses.

Field expenses, coastal surveys.  
Atlantic and Pacific Oceans and Gulf of Mexico.

<i>Proviso.</i> Outlying islands.	and one temporary engineer to develop instruments for aerial photographic surveying, \$283,000: <i>Provided</i> , That not more than \$35,000 of this amount shall be expended on the coasts of outlying islands off the Atlantic and Gulf coasts and the Atlantic entrance to the Panama Canal.
Tides, currents, etc.	Tides, currents, and so forth: For continuing researches in physical hydrography, relating to harbors and bars, and for tidal and current observations on the coasts of the United States, or other coasts under the jurisdiction of the United States, \$12,700.
Coast Pilot.	Coast Pilot: For compilation of the Coast Pilot, including the employment of such pilots and nautical experts, and stenographic help in the field and office as may be necessary for the same, \$4,200.
Magnetic and seismological work.	Magnetic and seismological work: For continuing magnetic and seismological observations and to establish meridian lines in connection therewith in all parts of the United States; making magnetic and seismological observations in other regions under the jurisdiction of the United States; purchase of additional magnetic and seismological instruments; lease of sites where necessary and the erection of temporary magnetic and seismological buildings; and including the employment in the field and office of such magnetic and seismological observers, and instrument makers and stenographic services as may be necessary, \$64,550: <i>Provided</i> , That \$4,550 of this amount be expended for a resurvey of the San Andreas fault line north of San Francisco, California.
<i>Proviso.</i> San Andreas fault line north of San Francisco, survey.	Federal, boundary, and State surveys: For continuing lines of exact levels between the Atlantic, Pacific, and Gulf coasts; determining geographic positions by triangulation and traverse for the control of Federal, State, boundary, county, city, and other surveys and engineering works in all parts of the United States; including special geodetic surveys of first-order triangulation and leveling in regions subject to earthquakes, not exceeding \$10,000; determining field astronomic positions and the variation of latitude, including the maintenance and operation of the latitude observatories at Ukiah, California, and Gaithersburg, Maryland, not exceeding \$2,500 each; establishing lines of exact levels, determining geographic positions by triangulation and traverse, and making astronomic observations in Alaska; and continuing gravity observations in the United States and for making such observations in regions under the jurisdiction of the United States and also on islands and coasts adjacent thereto, \$80,000, of which amount not to exceed \$35,440 may be expended for personal services in the District of Columbia.
Ukiah and Gaithersburg observatories.	
Alaska.	
Miscellaneous objects.	Miscellaneous objects: For the preparation or purchase of plans and specifications of vessels and the employment of such hull draftsmen in the field and office as may be necessary for the same; the reimbursement, under rules prescribed by the Secretary of Commerce, of officers of the Coast and Geodetic Survey for food, clothing, medicines, and other supplies furnished for the temporary relief of distressed persons in remote localities and to shipwrecked persons temporarily provided for by them, not to exceed a total of \$500; actual necessary expenses of officers of the field force temporarily ordered to the office in the District of Columbia for consultation with the director, and not exceeding \$3,000 for special surveys that may be required by the Bureau of Lighthouses or other proper authority, \$3,600.
Relief of distressed persons.	
Vessels, repair, etc.	Vessels: For repair of vessels, exclusive of engineers' supplies and other ship chandlery, \$70,000.
Officers and men on vessels, pay.	Pay of officers and men on vessels: For all necessary employees to man and equip the vessels, including professional seamen serving as

mates on vessels of the Survey, to execute the work of the Survey herein provided for and authorized by law, \$582,000.

Pay, commissioned officers: For pay and allowances prescribed by law for commissioned officers on sea duty and other duty, holding relative rank with officers of the Navy, including one director, six hydrographic and geodetic engineers with relative rank of captain, ten hydrographic and geodetic engineers with relative rank of commander, seventeen hydrographic and geodetic engineers with relative rank of lieutenant commander, forty-seven hydrographic and geodetic engineers with relative rank of lieutenant, sixty-one junior hydrographic and geodetic engineers with relative rank of lieutenant (junior grade), twenty-nine aides with relative rank of ensign, and including officers retired in accordance with existing law, \$815,000: *Provided*, That the Secretary of Commerce may designate one of the hydrographic and geodetic engineers to act as assistant director.

Office force: For personal services, \$580,000.

Office expenses: For purchase of new instruments (except surveying instruments), including their exchange, materials, equipment, replacement of one proving press, and supplies required in the instrument shop, carpenter shop, and chart division; books, scientific and technical books, journals, books of reference, maps, charts, and subscriptions; copper plates, chart paper, printer's ink, copper, zinc, and chemicals for electrotyping and photographing; engraving, printing, photographing, rubber gloves, and electrotyping supplies; photolithographing and printing charts for immediate use; stationery for office and field parties; transportation of instruments and supplies when not charged to field expenses; telegrams; washing; office furniture, repairs; miscellaneous expenses, contingencies of all kinds, not exceeding \$90 for street-car fares, \$65,000.

Aeronautical charts: For compilation and printing of aeronautical charts, including personal services in the District of Columbia (not to exceed \$85,500), operation of airplane for check flights, and aerial photographs, execution of ground surveys at air terminals, and the purchase of drafting, photographic, photolithographic, and printing supplies and equipment, \$105,500.

Appropriations herein made for traveling expenses or for the Coast and Geodetic Survey shall not be available for allowance to civilian or other officers for subsistence while on duty at Washington (except as hereinbefore provided for officers of the field force ordered to Washington for short periods for consultation with the director), except as now provided by law.

The appropriation under title III herein for traveling expenses shall be available, in an amount not to exceed \$650, for expenses of attendance at meetings concerned with the work of the Coast and Geodetic Survey when incurred on the written authority of the Secretary of Commerce.

#### BUREAU OF FISHERIES

Commissioner's office: For the Commissioner and other personal services in the District of Columbia, \$150,000.

Propagation of food fishes: For maintenance, repair, alteration, improvement, equipment, acquisition, and operation of fish-cultural stations, general propagation of food fishes and their distribution, including movement, maintenance, and repairs of cars and not to exceed \$15,000 for purchase of trucks for fish distribution; maintenance, repair, and operation of motor-propelled passenger-carrying vehicles for official use in the field; purchase of equipment

Commissioned officers, pay and allowances.

*Proriso.*  
Assistant director.

Office force.  
Office expenses.

Aeronautical charts.

Restriction on use of funds.

Attendance at meetings.

Bureau of Fisheries.

Commissioner's office.

Propagation of food fishes.



Permanent employees, pay.	(including rubber boots and oilskins), and apparatus; contingent expenses; pay of permanent employees not to exceed \$423,050; temporary labor; not to exceed \$10,000 for propagation and distribution of fresh-water mussels and the necessary expenses connected therewith, and not to exceed \$10,000 for the purchase, collection, and transportation of specimens and other expenses incidental to the maintenance and operation of aquarium, of which not to exceed \$5,000 may be expended for personal services in the District of Columbia, \$962,000, including not to exceed \$155,000 to establish or commence the establishment of stations authorized by the Act approved May 21, 1930 (46 Stat. 371), for which the need is most urgent, and not to exceed \$80,000 to complete the establishment of fish-cultural stations commenced with funds appropriated for this purpose under this head in the Department of Commerce Appropriation Act, 1938, including the acquisition of necessary land, construction of buildings and ponds, water supply, improvements to grounds, purchase of equipment, and all other necessary expenses.
Establishment of stations.	
46 Stat. 371.	
50 Stat. 295.	
Construction of fish screens.	Construction of fish screens: For construction, operation, and maintenance, in cooperation with the Bureau of Reclamation and the Bureau of Indian Affairs, or either, of fish screens and ladders on Federal irrigation projects, and for the conduct of investigations and surveys, the preparation of designs, and supervision of construction of such screens and ladders; and for determining the requirements for fishways and other fish protective devices at dams constructed under licenses issued by the Federal Power Commission in accordance with the provisions of the Federal Water Power Act (16 U. S. C. 791), \$20,000, of which not to exceed \$6,400 may be expended for the pay of permanent employees.
16 U. S. C. § 791; Supp. III, ch. 12.	
Maintenance of vessels.	Maintenance of vessels: For maintenance and operation of vessels and launches, including purchase and repair of boats, apparatus, machinery, and other facilities required for use with the same, hire of vessels, temporary employees, and all other necessary expenses in connection therewith, including not to exceed \$750 for the purchase of plans and specifications for vessels or for contract personal services for the preparation thereof, and money accruing from commutation of rations and provisions on board vessels may be paid on proper vouchers to the persons having charge of the mess of such vessels, \$173,000, of which amount not to exceed \$13,460 may be expended for pay of officers and employees of vessels of the Atlantic coast, and not to exceed \$75,000 for pay of officers and crews of vessels for the Alaska Fisheries Service.
Allotment for Atlantic coast and Alaska Fisheries Service.	
Commutation of rations.	Commutation of rations (not to exceed \$1 per day) may be paid to officers and crews of vessels of the Bureau of Fisheries during the fiscal year 1939 under regulations prescribed by the Secretary of Commerce (50 Stat. 295).
50 Stat. 295.	
Food fishes inquiry. Post, p. 1127.	Inquiry respecting food fishes: For inquiry into the cause of the decrease of food fishes in the waters of the United States, and for investigation and experiments in respect to the aquatic animals, plants, and waters, and screening of irrigation ditches and fishways, in the interests of fish culture and the fishery industries, including pay of permanent employees not to exceed \$179,000; temporary employees, maintenance, repair, improvement, equipment, and operation of biological stations, preparation of reports, and not to exceed \$500 for rent of suitable quarters in the District of Columbia for laboratory and storage purposes, \$262,000.
Fishery industries. Statistical studies.	Fishery industries: For collection and compilation of statistics of the fisheries and the study of their methods and relations, and the methods of preservation and utilization of fishery products, and to

enable the Secretary of Commerce to execute the functions imposed upon him by the Act entitled "An Act authorizing associations of producers of aquatic products", approved June 25, 1934 (48 Stat., p. 1213), including pay of permanent employees not to exceed \$67,000, of which amount not exceeding \$10,240 may be expended for personal services in the District of Columbia, compensation of temporary employees, preparation of reports, contract stenographic reporting services, temporary employees in the District of Columbia not to exceed \$2,600, and all other necessary expenses in connection therewith, including the purchase (not to exceed \$1,100), exchange, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles for official use in the field work of the Bureau of Fisheries, \$83,600.

Cooperative associations of producers of aquatic products.  
48 Stat. 1213.  
15 U. S. C. § 521.

**Fishery market news service:** For collecting, publishing, and distributing, by telegraph, mail, or otherwise, information on the fishery industry, information on market supply and demand, commercial movement, location, disposition, and market prices of fishery products, with or without cooperation with any department or agency of the United States, or any State or Territory, or subdivision thereof, purchase of equipment and supplies, preparation of reports, and all other necessary expenses connected therewith, \$70,000, of which not to exceed \$13,160 may be expended for personal services in the District of Columbia.

Fishery market news service.

**Alaska, general service:** For protecting the seal fisheries of Alaska, including the furnishing of food, fuel, clothing, and other necessities of life to the natives of the Pribilof Islands of Alaska; not exceeding \$20,000 for construction, improvement, repair, and alteration of buildings and roads, transportation of supplies to and from the islands, subsistence of agents and other employees while on said islands, hire and maintenance of vessels, purchase of sea otters, and for all expenses necessary to carry out the provisions of the Act entitled "An Act to protect the seal fisheries of Alaska, and for other purposes", approved April 21, 1910 (16 U. S. C. 631-658), and for the protection of the fisheries of Alaska, including pay of permanent employees not to exceed \$67,900 of which not to exceed \$1,800 may be expended for personal services in the District of Columbia, contract stenographic reporting service, hire of boats, employment of temporary labor, and all other necessary expenses connected therewith, \$270,000, of which \$100,000 shall be available immediately.

Alaska, general service.  
Seal fisheries.

36 Stat. 326.  
16 U. S. C. §§ 631-658.

**Enforcement of Black Bass and Whaling Treaty Acts:** To enable the Secretary of Commerce to administer the provisions of the Act entitled "An Act to amend the Act entitled 'An Act to regulate interstate transportation of black bass, and for other purposes', approved May 20, 1926", approved July 2, 1930 (16 U. S. C. 851-856), and to execute the functions imposed upon him by The Whaling Treaty Act, approved May 1, 1936 (16 U. S. C. 901-915), \$17,000, of which amount not to exceed \$10,600 may be expended for personal services in the District of Columbia.

Black bass law, enforcement.

46 Stat. 845.  
16 U. S. C. §§ 851-856.  
Whaling Treaty Act, administration.  
49 Stat. 1246.  
16 U. S. C., Supp. III, §§ 901-915.

**Mississippi Wild Life and Fish Refuge:** For construction of buildings, boats, and ponds, for purchase of equipment, including boats, for maintenance, operation, repair, and improvements, including expenditures for personal services at the seat of government and elsewhere as may be necessary, as authorized in the Act approved June 7, 1924 (16 U. S. C. 721-731), \$17,900.

Mississippi Wild Life and Fish Refuge.  
Construction, maintenance, etc.

43 Stat. 650.  
16 U. S. C. §§ 721-731.

The appropriation herein under title III for traveling expenses shall be available, in an amount not to exceed \$750, for expenses of attendance at meetings concerned with the work of the Bureau of Fisheries when incurred on the written authority of the Secretary of Commerce.

Attendance at meetings.

## Patent Office.

## PATENT OFFICE

## Salaries.

Salaries: For the Commissioner of Patents and other personal services in the District of Columbia, \$3,400,000.

## Photolithographing.

Photolithographing: For producing copies of weekly issue of drawings of patents and designs; reproduction of copies of drawings and specifications of exhausted patents, designs, trade-marks, and other papers, such other papers when reproduced for sale to be sold at not less than cost plus 10 per centum; reproduction of foreign patent drawings; photo prints of pending application drawings; and photostat and photographic supplies and dry mounts, \$178,000: *Provided*, That the headings of the drawings for patented cases may be multigraphed in the Patent Office for the purpose of photolithography.

*Proviso.*  
Multigraphed headings.

Miscellaneous expenses.

Miscellaneous expenses: For purchase and exchange of law, professional, and other reference books and publications and scientific books; expenses of transporting publications of patents issued by the Patent Office to foreign governments; directories, furniture, and filing cases; for investigating the question of public use or sale of inventions for two years or more prior to filing applications for patents, and such other questions arising in connection with applications for patents and the prior art as may be deemed necessary by the Commissioner of Patents; for expense attending defense of suits instituted against the Commissioner of Patents, and for other contingent and miscellaneous expenses of the Patent Office, \$55,000.

Printing and binding.

Printing and binding: For printing the weekly issue of patents, designs, trade-marks, prints, and labels, exclusive of illustrations; and for printing, engraving illustrations, and binding the Official Gazette, including weekly and annual indices, \$780,000; for miscellaneous printing and binding \$55,000; in all, \$835,000.

Attendance at meetings.

The appropriation under title III herein for traveling expenses shall be available, in an amount not to exceed \$500, for expenses of attendance at meetings concerned with the work of the Patent Office when incurred on the written authority of the Secretary of Commerce.

## Short title.

This title may be cited as the "Department of Commerce Appropriation Act, 1939".

Department of Labor Appropriation Act, 1939.

Office of the Secretary.

## Salaries.

*Proviso.*  
Retention of personnel determining wage rates.

49 Stat. 1011.  
40 U. S. C., Supp. III, §§ 276a-276a-6.

Contingent expenses.

## TITLE IV—DEPARTMENT OF LABOR

## OFFICE OF THE SECRETARY

Salaries: Secretary of Labor, Assistant Secretary, Second Assistant Secretary, and other personal services in the District of Columbia, \$345,700: *Provided*, That persons (not exceeding ten in number) now employed in the determination of wages pursuant to the provisions of the Act entitled "An Act to amend the Act approved March 3, 1931, relating to the rate of wages for laborers and mechanics employed by contractors and subcontractors on public buildings", approved August 30, 1935, may be continued in such employment and paid from the amount herein appropriated without regard to the provisions of the civil-service laws requiring competitive examinations.

Contingent expenses: For contingent and miscellaneous expenses of the offices and bureaus of the Department, for which appropriations for contingent and miscellaneous expenses are not specifically made, including the purchase of stationery, furniture, and repairs to the same, carpets, matting, oilcloths, file cases, towels, ice, brooms, soap, sponges, laundry, street-car fares not exceeding \$400; purchase, exchange, maintenance, and repair of motorcycles and motortrucks; purchase and exchange of a passenger-carrying automobile for the official use of the Secretary of Labor at not to exceed \$1,800, and maintenance, operation, and repair of two motor-propelled passenger-

carrying vehicles, to be used only for official purposes; freight and express charges; newspaper clippings not to exceed \$1,200, postage to foreign countries, telegraph and telephone service, typewriters, adding machines, and other labor-saving devices; purchase and exchange of law books, books of reference, newspapers and periodicals, and, when authorized by the Secretary of Labor, dues for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members, not exceeding \$5,000; contract stenographic services; all other necessary miscellaneous expenses not included in the foregoing; and not to exceed \$25,000 for purchase of certain supplies for the Immigration and Naturalization Service; in all, \$119,400, of which amount not to exceed \$1,800 shall be available immediately: *Provided*, That section 3709 of the Revised Statutes (41 U. S. C. 5) shall not be construed to apply to any purchase or service rendered for the Department of Labor when the aggregate amount involved does not exceed the sum of \$100.

**Traveling expenses:** For all traveling expenses, except travel expenses incident to the deportation of aliens, under the Department of Labor, including all bureaus and divisions thereunder, \$700,000.

**Printing and binding:** For printing and binding for the Department of Labor, including all its bureaus, offices, institutions, and services located in Washington, District of Columbia, and elsewhere, \$245,690.

**Salaries and expenses, Division of Labor Standards:** For salaries and expenses, including purchase and distribution of reports, and of material for informational exhibits, in connection with the promotion of health, safety, employment, stabilization, and amicable industrial relations for labor and industry, \$169,860, of which amount not to exceed \$95,000 may be expended for personal services in the District of Columbia.

The appropriation under title IV for traveling expenses shall be available for expenses of attendance of cooperating officials and consultants at conferences concerned with the work of the Division of Labor Standards when called by the Division of Labor Standards with the written approval of the Secretary of Labor, and shall be available also in an amount not to exceed \$2,000 for expenses of attendance at meetings related to the work of the Division of Labor Standards when incurred on the written authority of the Secretary of Labor.

**Commissioners of conciliation:** To enable the Secretary of Labor to exercise the authority vested in him by section 8 of the Act creating the Department of Labor (5 U. S. C. 611) and to appoint commissioners of conciliation, telegraph and telephone service, and not to exceed \$67,000 for personal services in the District of Columbia, \$283,480: *Provided*, That persons now employed in such conciliation work pursuant to authority contained under this head in the Second Deficiency Appropriation Act, fiscal year 1935, may be continued in such employment and paid from the amount herein appropriated.

**Liaison with the International Labor Organization, Geneva, Switzerland, salaries and expenses:** For a United States Labor Commissioner and other personal services in Geneva, Switzerland; compensation of interpreters, translators, and porters; transportation of employees, their families, and effects, in going to and returning from foreign posts; rent, heat, light, and fuel; hire, maintenance, and operation of motor-propelled passenger-carrying vehicles; purchase and exchange of foreign and domestic books, periodicals, and newspapers; purchase of furniture, stationery, and supplies; printing and binding; postage; telephone and other similar expenses, for which

*Proviso.*  
Minor purchases.  
R. S. § 3709.  
41 U. S. C. § 5.

Traveling expenses.  
*Post*, p. 1138.

Printing and binding.  
*Post*, p. 1139.

Division of Labor Standards, salaries, etc.  
*Post*, p. 1139.

Attendance at meetings.

Commissioners of conciliation.

37 Stat. 738.  
5 U. S. C. § 619.

*Proviso.*  
Retention of certain employees.  
49 Stat. 587.

International Labor Organization, Geneva.  
Liaison with; expenses.  
48 Stat. 1182.

Printing and binding.

## Living quarters.

46 Stat. 818.  
5 U. S. C. § 118a.

Division of Public  
Contracts.  
Salaries and ex-  
penses.

49 Stat. 2036.  
41 U. S. C., Supp.  
III, §§ 35-45.

Bureau of Labor  
Statistics.  
Salaries and ex-  
penses.

## Commissioner, etc.

Attendance at meet-  
ings.

Immigration and  
Naturalization Ser-  
vice.  
Departmental sala-  
ries.

Field service, sala-  
ries.

Provisos.  
Living quarters.

46 Stat. 818.  
5 U. S. C. § 118a.

## Overtime pay.

46 Stat. 1407.  
8 U. S. C. §§ 109a,  
109b.  
Assistants to clerks  
of U. S. Courts, com-  
pensation.  
Contract laborers.  
39 Stat. 893.  
8 U. S. C. § 109.

payment may be made in advance; necessary technical or special investigations in connection with matters falling within the scope of the International Labor Organization; allowances for living quarters, including heat, fuel, and light, as authorized by the Act approved June 26, 1930 (5 U. S. C. 118a), not to exceed \$1,700 for any person, and contingent and such other expenses in the United States and elsewhere as the Secretary of Labor may deem necessary, \$20,000.

Division of Public Contracts, salaries and expenses: For personal services in the District of Columbia and elsewhere, in performing the duties imposed by the "Act to provide conditions for the purchase of supplies and the making of contracts by the United States, and for other purposes", approved June 30, 1936 (41 U. S. C. 38), and for other necessary expenses in the field, including contract stenographic reporting services, \$300,000.

## BUREAU OF LABOR STATISTICS

Salaries and expenses: For personal services, including temporary statistical clerks, stenographers, and typewriters in the District of Columbia, and including also experts and temporary assistants for field service outside of the District of Columbia; purchase of periodicals, documents, envelopes, price quotations, and reports and materials for reports and bulletins of said Bureau, \$814,000, of which amount not to exceed \$680,500 may be expended for the salary of the Commissioner and other personal services in the District of Columbia.

The appropriation for traveling expenses in title IV shall be available, in an amount not to exceed \$2,000, for expenses of attendance at meetings concerned with the work of the Bureau of Labor Statistics when incurred on the written authority of the Secretary of Labor.

## IMMIGRATION AND NATURALIZATION SERVICE

Salaries, Office of Commissioner: Departmental salaries: For the Commissioner and other personal services in the District of Columbia, \$556,800.

Salaries, field service: For salaries of field personnel of the Immigration and Naturalization Service, including the personnel of the Immigration Border Patrol and the services of persons authorized by law to be detailed to the District of Columbia for duty, \$7,781,000, of which \$50,000 shall be used for increased compensation to persons receiving less than \$2,000 per annum: *Provided*, That not to exceed \$36,000 of the total amount herein appropriated shall be available for allowances for living quarters, including heat, fuel, and light, as authorized by the Act approved June 26, 1930 (U. S. C., title 5, sec. 118a), not to exceed \$1,700 for any person: *Provided further*, That \$125,000 of the amount herein appropriated shall be available only for the payment of extra compensation for overtime services of inspectors and employees of the Immigration and Naturalization Service for which the United States receives reimbursement in accordance with the provisions of the Act of March 2, 1931 (U. S. C., title 8, secs. 109a and 109b): *Provided further*, That no part of this appropriation shall be available for the compensation of assistants to clerks of United States Courts: *Provided further*, That notwithstanding the provisions of the Act of February 5, 1917 (U. S. C., title 8, sec. 109), authorizing the Secretary of Labor to draw annually from the appropriations for the enforcement of the laws regulating the immigration of aliens into the United States, \$200,000 or so much thereof as may be necessary to enforce the law

excluding contract laborers and induced and assisted immigrants, not to exceed \$60,000 of the sum herein appropriated may be expended for such purposes, and such expenditure shall be made in strict compliance with the provisions of the Act of July 11, 1919 (U. S. C., title 18, sec. 201).

**General expenses (other than salaries):** For all expenses of the Immigration and Naturalization Service, including the Immigration Border Patrol, incurred in the enforcement of the laws regulating the immigration to, the residence in, and the exclusion and deportation from the United States of aliens and persons subject to the Chinese exclusion laws; for enforcement of the laws authorizing a uniform rule for the naturalization of aliens; expenses of officers, clerks, and other employees appointed to enforce said laws; care, detention, maintenance, transportation, and traveling expenses incident to the deportation and removal of aliens and persons subject to the Chinese exclusion laws, as authorized by law, in the United States, and to, through, or in foreign countries; purchase of supplies and equipment, including alterations and repairs; purchase, exchange, operation, maintenance, and repair of motor-propelled vehicles, including passenger-carrying vehicles for official use in field work; arms, ammunition, and accessories; cost of reports of decisions of the Federal courts and digests thereof for official use; verifications of legal papers; refunding of head tax, maintenance bills, and immigration fines, upon presentation of evidence showing conclusively that collection and deposit was made through error; mileage and fees to witnesses subpoenaed on behalf of the United States, and for all other expenses necessary to enforce said laws, \$1,292,200: *Provided*, That not to exceed \$45,000 of the sum herein appropriated shall be available for the purchase, including exchange, of motor-propelled passenger-carrying vehicles: *Provided further*, That the Commissioner of Immigration and Naturalization, with the approval of the Secretary of Labor, may contract with officers and employees stationed outside of the District of Columbia, whose salaries are payable from the appropriation for field salaries of the Immigration and Naturalization Service, for the use, on official business outside of the District of Columbia, of privately owned horses, and the consideration agreed upon shall be payable from the funds herein appropriated: *Provided further*, That not to exceed \$10,000 of the sum herein appropriated may be expended for payment of rewards, when specifically authorized by the Secretary of Labor, for information leading to the detection, arrest, or conviction of persons violating the immigration or naturalization laws.

**Immigration stations:** For remodeling, repairing (including repairs to the ferryboat, Ellis Island), renovating buildings, and purchase of equipment, \$85,000.

The appropriation under title IV for traveling expenses shall be available in an amount not to exceed \$400 for expenses of attendance at meetings concerned with the work of the Bureau of Immigration and Naturalization when incurred on the written authority of the Secretary of Labor.

#### CHILDREN'S BUREAU

**Salaries and expenses:** For expenses of investigating and reporting upon matters pertaining to the welfare of children and child life, and especially to investigate the questions of infant mortality; personal services, including experts and temporary assistants; purchase of reports and material for the publications of the Children's Bureau and for reprints from State, city, and private publications for distribution when said reprints can be procured more cheaply than they

41 Stat. 68.  
18 U. S. C. § 201.

General expenses.  
Enforcement of im-  
migration, etc., laws.

Vehicles.

Witness fees, etc.

*Propisos.*  
Purchase of motor  
vehicles.

Privately-owned  
horses.

Payment of re-  
wards.

Immigration sta-  
tions.

Attendance at meet-  
ings.

Children's Bureau.

Salaries and ex-  
penses.  
Investigations, etc

can be printed by the Government, and other necessary expenses, \$363,500, of which amount not to exceed \$313,500 may be expended for personal services in the District of Columbia.

Maternal and child welfare, salaries, etc.

49 Stat. 629.  
42 U. S. C., Supp. III, § 701.

Social Security Act. Payments under State plans.

Salaries and expenses, maternal and child welfare, Children's Bureau: For all authorized and necessary administrative expenses of the Children's Bureau in performing the duties imposed upon it by title V of the Social Security Act, approved August 14, 1935, including personal services, rentals, repairs, and alterations to buildings, in the District of Columbia and elsewhere; printing and binding; supplies; services; equipment; newspapers, books of reference, periodicals, and press clippings; \$320,000.

In the administration of title V of the Social Security Act for the fiscal year 1939, payments to States for any quarter of the fiscal year 1939 under parts 1, 2, and 3 may be made with respect to any State plan approved under such respective parts by the Chief of the Children's Bureau prior to or during such quarter, but no such payment shall be made with respect to any plan for any period prior to the quarter in which such plan is submitted to the Chief of the Children's Bureau for approval.

Grants to States for maternal and child health services.

49 Stat. 629.  
42 U. S. C., Supp. III, § 701.

Proviso. Basis of allotments, 1939.

Grants to States for maternal and child health services, Children's Bureau: For grants to States for the purpose of enabling each State to extend and improve services for promoting the health of mothers and children, as authorized in title V, part 1, of the Social Security Act, approved August 14, 1935 (42 U. S. C. 701), \$3,700,000: *Provided*, That in carrying out such part 1, the allotments to States and expenditures thereunder for the fiscal year 1939 are authorized to be made on the basis of a total of \$3,800,000 for all States (as defined in such Act): *Provided further*, That any allotment to a State pursuant to section 502 (b) shall not be included in computing for the purposes of subsections (a) and (b) of section 504 an amount expended or estimated to be expended by the State.

Supplemental aid not included.  
49 Stat. 630.

Services for crippled children, grants to States.

49 Stat. 631.  
42 U. S. C., Supp. III, § 711.

Proviso. Basis of allotments, 1939.

Grants to States for services for crippled children, Children's Bureau: For the purpose of enabling each State to extend and improve services for crippled children, as authorized in title V, part 2, of the Social Security Act, approved August 14, 1935 (42 U. S. C. 711), \$2,800,000: *Provided*, That in carrying out such part 2, the allotments to States (as defined in such Act) and expenditures thereunder for the fiscal year 1939 are authorized to be made on the basis of a total of \$2,850,000 for all States.

Child-welfare services, grants to States.

49 Stat. 633.  
42 U. S. C., Supp. III, § 721.  
Attendance at conferences.  
49 Stat. 627, 629.

Grants to States for child-welfare services, Children's Bureau: For grants to States for the purpose of enabling the United States, through the Children's Bureau, to cooperate with State public-welfare agencies in establishing, extending, and strengthening public-welfare services for the care of homeless or neglected children, or children in danger of becoming delinquent, as authorized in title V, part 3, of the Social Security Act, approved August 14, 1935 (42 U. S. C. 721), \$1,500,000.

The appropriation under title IV for traveling expenses shall be available for expenses of attendance of cooperating officials and consultants at conferences concerned with the administration of title V, parts 1, 2, and 3, of the Social Security Act when called by the Children's Bureau with the written approval of the Secretary of Labor, and shall be available also, in an amount not to exceed \$5,000 for expenses of attendance at meetings related to the work of the Children's Bureau when incurred on the written authority of the Secretary of Labor.

## WOMEN'S BUREAU

Salaries and expenses: For carrying out the provisions of the Act entitled "An Act to establish in the Department of Labor a bureau to be known as the Women's Bureau"; approved June 5, 1920 (29 U. S. C. 11-16), including personal services in the District of Columbia, not to exceed \$142,820; purchase of material for reports and educational exhibits, \$143,320.

The appropriation under title IV for traveling expenses shall be available in an amount not to exceed \$2,500 for expenses of attendance at meetings concerned with the work of the Women's Bureau when incurred on the written authority of the Secretary of Labor.

## UNITED STATES EMPLOYMENT SERVICE

Salaries and expenses: For all administrative expenses, including the Veterans' Placement Service, the Farm Placement Service, and the District of Columbia Public Employment Center, in carrying out the provisions of the Act entitled "An Act to provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes", approved June 6, 1933 (U. S. C., title 29, secs. 49-49i); personal services and rent in the District of Columbia and elsewhere; law books, books of reference, newspapers and periodicals, printing and binding, supplies and equipment, telegraph and telephone service, and miscellaneous expenses, \$843,000, including not to exceed \$235,000 for personal services in the Department in the District of Columbia.

Payments to States: For payment to the several States in accordance with the provisions of the said Act of June 6, 1933 (29 U. S. C. 49-49i), as amended, \$1,950,000: *Provided*, That apportionments for the fiscal year 1939 shall be on the basis of a total apportionment to all States of \$3,000,000: *Provided further*, That the unused balances of amounts apportioned to the several States for the fiscal year 1937 for establishing and maintaining public employment offices shall be reapportioned among all the States, in accordance with said Act of June 6, 1933, as amended, without regard to the sufficiency therefor of the fund established under this head for payment to States by the Department of Labor Appropriation Act, 1938.

The appropriation under title IV for traveling expenses shall be available in an amount not to exceed \$4,000 for expenses of attendance at meetings concerned with the work of the United States Employment Service when incurred on the written authority of the Secretary of Labor.

This title may be cited as the "Department of Labor Appropriation Act 1939".

SEC. 2. No part of any appropriation contained in this Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve of the nomination of said person.

SEC. 3. No part of any appropriation contained in this Act or authorized hereby to be expended shall be used to pay the compensation of any officer or employee of the Government of the United States, or of any agency the majority of the stock of which is owned by the Government of the United States, whose post of duty is in continental United States unless such officer or employee is a citizen of the United States or a person in the service of the United States on the date of the approval of this Act who being eligible for citizenship has filed a declaration of intention to become a citizen or who

Women's Bureau.

Salaries and expenses.

41 Stat. 987.  
29 U. S. C. §§ 11-16.

Attendance at meetings.

United States Employment Service.

Salaries and expenses.

48 Stat. 113.  
29 U. S. C. §§ 49-49i.

Payments to States.

29 U. S. C. §§ 49-49i.

*Provisos.*  
Basis of apportionments, 1939.  
Reapportionment of unused balances.

50 Stat. 302.

Attendance at meetings.

Short title.

Payment forbidden persons after nomination rejected by Senate.

Citizenship requirements.  
*Post*, p. 1163.



*Proviso.*  
Interpreters, Immigration and Naturalization Service.

owes allegiance to the United States: *Provided*, That this section shall not apply to the employment of interpreters in the Immigration and Naturalization Service (not to exceed ten permanent employees and such temporary employees as are required from time to time) where competent citizen interpreters are not available.

Approved, April 27, 1938.

[CHAPTER 183]

JOINT RESOLUTION

April 29, 1938  
[H. J. Res. 573]  
[Pub. Res., No. 90]

To amend the joint resolution entitled "Joint resolution authorizing Federal participation in the New York World's Fair 1939".

United States New York World's Fair Commission.

Allocation of funds for designated purposes, authorized.  
50 Stat. 493.

R. S. § 3709.  
41 U. S. C. § 5.  
*Proviso.*  
Payment of incurred obligations.  
50 Stat. 759.

Expenditures without reference to other provisions of law.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the United States New York World's Fair Commission established by the joint resolution entitled "Joint resolution authorizing Federal participation in the New York World's Fair 1939", approved July 9, 1937, is authorized to allocate funds from the appropriation made to carry into effect the provisions of such joint resolution, for the purchase of paintings, historic papers, exhibits, and supplies, by contract or otherwise without regard to the provisions of section 3709 of the Revised Statutes: *Provided*, That the funds made available by the Third Deficiency Appropriation Act, fiscal year 1937, approved August 25, 1937, for carrying into effect the provisions of the said joint resolution, are also available for payment of obligations incurred on or after July 9, 1937. Such obligations and expenditures shall not be subject to the provisions of any law regulating or limiting the expenditure of public money other than the said joint resolution as amended by this Act.

Approved, April 29, 1938.

[CHAPTER 186]

AN ACT

April 29, 1938  
[S. 1279]  
[Public, No. 496]

To authorize the sale, under the provisions of the Act of March 12, 1926 (44 Stat. 203), of surplus War Department real property.

War Department real property.  
Sale of designated tracts no longer needed for military purposes.  
44 Stat. 203.  
10 U. S. C. § 1594.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of War be, and he is hereby, authorized to sell or cause to be sold, under the provisions of the Act of March 12, 1926 (44 Stat. 203), the several tracts or parcels of real property hereinafter designated, or any portion thereof, upon determination by him that said tracts or parcels are no longer needed for military purposes, and to execute and deliver in the name of the United States and in its behalf any and all contracts, conveyances, or other instruments necessary to effectuate such sale and conveyance.

Description.

Name of reservation with approximate amount of land involved in each instance: Calf Island, including Little Calf Island, Massachusetts, eighteen and five one-hundredths acres; Great Brewster Island, Massachusetts, twenty-one and seven-tenths acres; Fort Ward, Washington, three hundred and twenty and thirty-three one-hundredths acres; Boca Grande (Cayo Costa) Military Reservation, Florida, thirty-seven acres (portion excepted and reserved by Act of March 12, 1926): *Provided*, That the net proceeds from the sale of the above properties shall be deposited in the Treasury to the credit of "Miscellaneous receipts."

*Proviso.*  
Deposit of net proceeds.

SEC. 2. That the Secretary of War be, and he is hereby, authorized and directed, after due advertisement, to sell or cause to be sold upon such terms and conditions as he deems advisable, but at not less than the appraised value, the remaining portion of Camp Taylor, Kentucky, approximately thirty acres, which was not sold under the Act of February 20, 1931 (46 Stat. 1191), together with any other portion of Camp Taylor which was sold prior to the passage of the Act of February 20, 1931, and title to which may revert to the United States because of default; and he is further authorized, if he deems it advisable, to have said land appraised again, the cost of each appraisal and all other expenses incident to the sale to be paid from the proceeds of sale and the net proceeds of such sale shall be deposited in the Treasury to the credit of "Miscellaneous receipts."

Approved, April 29, 1938.

Camp Taylor, Ky.  
Sale of remaining  
portion.

46 Stat. 1191.

Appraisal and pay-  
ment of costs.

Deposit of net pro-  
ceeds.

# [CHAPTER 187]

## AN ACT

Making appropriations for the Department of the Interior for the fiscal year ending June 30, 1939, and for other purposes.

May 9, 1938  
[H. R. 9621]  
[Public, No. 497]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of the Interior for the fiscal year ending June 30, 1939, namely:*

Interior Depart-  
ment Appropriation  
Act, 1939.

## OFFICE OF THE SECRETARY

Office of the Sec-  
retary.

### SALARIES

**Salaries:** For the Secretary of the Interior, Under Secretary, First Assistant Secretary, Assistant Secretary, and other personal services in the District of Columbia, \$505,860: *Provided*, That in expending appropriations or portions of appropriations, contained in this Act, for the payment for personal services in the District of Columbia in accordance with the Classification Act of 1923, as amended, with the exception of the First Assistant Secretary and the Assistant Secretary, the average of the salaries of the total number of persons under any grade in any bureau, office, or other appropriation unit shall not at any time exceed the average of the compensation rates specified for the grade by such Act, as amended, and in grades in which only one position is allocated the salary of such position shall not exceed the average of the compensation rates for the grade, except that in unusually meritorious cases of one position in a grade advances may be made to rates higher than the average of the compensation rates of the grade but not more often than once in any fiscal year and then only to the next higher rate: *Provided*, That this restriction shall not apply (1) to grades 1, 2, 3, and 4 of the clerical-mechanical service, or (2) to require the reduction in salary of any person whose compensation was fixed, as of July 1, 1924, in accordance with the rules of section 6 of such Act, (3) to require the reduction in salary of any person who is transferred from one position to another position in the same or different grade in the same or a different bureau, office, or other appropriation unit, (4) to prevent the payment of a salary under any grade at a rate higher than the maximum rate of the grade when such higher rate is permitted by the Classification Act of 1923,

Salaries.

*Provisos.*  
Salaries limited to  
average rates under  
Classification Act; ex-  
ceptions.  
42 Stat. 1488.  
5 U. S. C. §§ 661-  
674; Supp. III, §§ 673,  
673c.

Restriction not ap-  
plicable to clerical-  
mechanical service.  
No reduction in  
fixed salaries.  
42 Stat. 1490.  
5 U. S. C. § 666.  
Transfers without  
reduction.

Payment at higher  
rate permitted.

If only one position in a grade.

as amended, and is specifically authorized by other law, or (5) to reduce the compensation of any person in a grade in which only one position is allocated.

#### Office of Solicitor.

#### OFFICE OF SOLICITOR

##### Personal services.

For personal services in the District of Columbia and in the field, \$280,000.

#### Division of Territories and Island Possessions.

#### DIVISION OF TERRITORIES AND ISLAND POSSESSIONS

##### Personal services.

For personal services in the District of Columbia, \$56,460.

#### Division of Investigations.

#### DIVISION OF INVESTIGATIONS

##### Investigation of official matters; timber protection, etc.

For investigating official matters under the control of the Department of the Interior; for protecting timber on the public lands, and for the more efficient execution of the law and rules relating to the cutting thereof; for protecting public lands from illegal and fraudulent entry or appropriation; for adjusting claims for swamplands and indemnity for swamplands; and for traveling expenses of agents and others employed hereunder, \$440,000, including not exceeding \$34,000 for personal services in the District of Columbia; not exceeding \$38,000 for the purchase, exchange, operation, and maintenance of motor-propelled passenger-carrying vehicles and motorboats for the use of agents and others employed in the field service. The Secretary of the Interior shall include in his annual report a full statement of all expenditures made under authority of this paragraph.

##### Traveling expenses.

##### Vehicles and motor boats.

##### Annual statement of expenditures.

#### Division of Grazing.

#### DIVISION OF GRAZING

##### Salaries and expenses.

For carrying out the provisions of the Act entitled "An Act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration, to provide for their orderly use, improvement, and development, to stabilize the livestock industry dependent upon the public range, and for other purposes", approved June 28, 1934 (48 Stat. 1269), and as amended by the Act of June 26, 1936 (49 Stat. 1976), including examination and classification of lands with respect to grazing or agricultural utility, preparation of land classification maps and reports, traveling and other necessary expenses, payments for the cost of packing, crating, and transportation (including drayage) of personal effects of employees upon permanent change of station, under regulations to be prescribed by the Secretary of the Interior, not to exceed \$60,000 for personal services in the District of Columbia, not to exceed \$30,000 for the purchase, exchange, operation, and maintenance of motor-propelled passenger-carrying vehicles, and not to exceed \$1,000 for expenses of attendance at meetings concerned with the work of the Division of Grazing when authorized by the Secretary of the Interior, \$550,000; for payment of a salary of \$5 per diem while actually employed and for the payment of necessary travel expenses, exclusive of subsistence, of members of advisory committees of local stockmen, \$100,000; in all, \$650,000.

48 Stat. 1269; 49 Stat. 1976.  
43 U. S. C. § 315; Supp. III, § 315.  
Classification, etc., of lands.

##### Services in the District.

##### Advisory committees of local stockmen.

##### Range improvements.

48 Stat. 1273; 49 Stat. 1978.  
43 U. S. C. §§ 315i, 315j; Supp. III, § 315i.  
Proviso.  
Limitation.

For construction, purchase, and maintenance of range improvements within grazing districts, pursuant to the provisions of sections 10 and 11 of the Act of June 28, 1934 (48 Stat. 1269) and as amended by the Act of June 26, 1936 (49 Stat. 1976), and not including contributions under section 9 of said Act, \$250,000: *Provided*, That expenditures hereunder shall not exceed 25 per centum of all moneys received from grazing districts under the provisions of said Act during the fiscal years 1938 and 1939.

## PETROLEUM CONSERVATION DIVISION

Salaries and expenses, oil regulation and enforcement: For administering and enforcing the provisions of the Act approved February 22, 1935 (49 Stat. 30), entitled "An Act to regulate interstate and foreign commerce in petroleum and its products by prohibiting the shipment in such commerce of petroleum and its products produced in violation of State law, and for other purposes", as amended, and to include necessary personal services in the District of Columbia and elsewhere without regard to the civil-service laws and regulations, traveling expenses, contract stenographic reporting services, rent, stationery, and office supplies, not to exceed \$1,000 for necessary expenses of attendance at meetings and conferences concerned with the work of petroleum conservation when authorized by the Secretary of the Interior, not to exceed \$4,000 for printing and binding, not to exceed \$500 for books and periodicals, and not to exceed \$14,000 for the purchase, exchange, hire, maintenance, operation, and repair of motor-propelled passenger-carrying vehicles, \$260,000.

Petroleum Conservation Division.

Salaries and expenses.

49 Stat. 30.  
15 U. S. C., Supp.  
III, § 715.

Services in the District.

Attendance at meetings.

Printing and binding.

Vehicles.

## CONTINGENT EXPENSES, DEPARTMENT OF THE INTERIOR

For contingent expenses of the office of the Secretary and the bureaus and offices of the Department; furniture, carpets, ice, lumber, hardware, dry goods, advertising, teletype rentals and service, telegraphing, telephone service, including personal services of temporary or emergency telephone operators; street-car fares for use by messengers not exceeding \$150; expressage, diagrams, awnings, filing devices, typewriters, adding and addressing machines, and other labor-saving devices, including the repair, exchange, and maintenance thereof; constructing model and other cases and furniture; postage stamps to prepay postage on foreign mail and for special-delivery and air-mail stamps for use in the United States; traveling expenses, including necessary expenses of inspectors and attorneys; fuel and light; examination of estimates for appropriations in the field for any bureau, office, or service of the Department; not exceeding \$500 for the payment of damages caused to private property by Department motor vehicles; purchase and exchange of motor trucks, motorcycles, and bicycles, maintenance, repair, and operation of three motor-propelled passenger-carrying vehicles and motor trucks, motorcycles, and bicycles to be used only for official purposes; rent of Department garage; expense of taking testimony and preparing the same in connection with disbarment proceedings instituted against persons charged with improper practices before the Department, its bureaus and offices; expense of translations, and not exceeding \$1,000 for contract stenographic reporting services; not exceeding \$700 for newspapers; stationery, including tags, labels, index cards, cloth-lined wrappers, and specimen bags, printed in the course of manufacture, and such printed envelopes as are not supplied under contracts made by the Postmaster General, for the Department and its several bureaus and offices, and other absolutely necessary expenses not hereinafter provided for, \$112,000; and, in addition thereto, sums amounting to \$46,100 for stationery supplies shall be deducted from other appropriations made for the fiscal year 1939 as follows: General Land Office, \$3,500; Geological Survey, \$6,000; Freedmen's Hospital, \$1,000; Saint Elizabeths Hospital, \$2,200; National Park Service, \$10,000; Bureau of Reclamation, \$8,400, any unexpended portion of which shall revert and be credited to the reclamation fund; Division of Investigations, \$2,000; Bureau of Mines, \$9,000; Division of Grazing, \$4,000; and said sums so deducted shall be credited to and constitute, together

Department contingent expenses.

Teletype rentals, etc.

Labor-saving devices.

Fuel and light.

Vehicles.

Disbarment proceedings, expenses.

Stationery, etc.

Additional, from specified appropriations.

with the first-named sum of \$112,000, the total appropriation for contingent expenses for the Department and its several bureaus and offices for the fiscal year 1939.

Professional, etc.,  
books, periodicals, etc.

Additional sums for  
designated offices.

For the purchase or exchange of professional and scientific books, law and medical books, and books to complete broken sets, periodicals, directories, and other books of reference relating to the business of the Department, \$600, and in addition there is hereby made available from any appropriations made for any of the following bureaus or offices of the Department not to exceed the following respective sums: Indian Service, \$500; Office of Education, \$2,500; Bureau of Reclamation, \$6,000; Geological Survey, \$6,000; National Park Service, \$2,000; General Land Office, \$500; Bureau of Mines, \$3,000.

#### PRINTING AND BINDING

Printing and bind-  
ing.

For printing and binding for the Department of the Interior, including all of its bureaus, offices, institutions, and services in the District of Columbia and elsewhere, except the Alaska Railroad, the Geological Survey, Vocational Education, and the Bureau of Reclamation, \$253,470, of which \$56,840 shall be for the National Park Service, \$82,790 for the Bureau of Mines, and \$52,000 for the Office of Education, no part of which shall be available for correspondence instruction.

Restriction.

Commission of Fine  
Arts.

#### COMMISSION OF FINE ARTS

Expenses.  
36 Stat. 371.  
40 U. S. C. § 104.  
Periodicals, etc.  
Attendance at meet-  
ings, etc.

For expenses made necessary by the Act entitled "An Act establishing a Commission of Fine Arts", approved May 17, 1910 (40 U. S. C. 104), including the purchase of periodicals, press clippings, maps, and books of reference, and payment of actual traveling expenses of the members and secretary of the Commission in attending meetings and committee meetings of the Commission either within or outside of the District of Columbia, to be disbursed on vouchers approved by the Commission, \$9,700, of which amount not to exceed \$6,360 may be expended for personal services in the District of Columbia.

Printing and bind-  
ing.

For all printing and binding for the Commission of Fine Arts, \$300.

Total, Commission of Fine Arts, \$10,000.

Mount Rushmore  
National Memorial  
Commission.

#### MOUNT RUSHMORE NATIONAL MEMORIAL COMMISSION

Expenses.  
*Post*, p. 1128.  
45 Stat. 1300; 48  
Stat. 1223.  
*Post*, p. 694.  
49 Stat. 962.  
Amount immediate-  
ly available.  
50 Stat. 667.  
*Proviso*.  
Restriction.

Mount Rushmore National Memorial Commission: For carrying into effect the provisions of the Act creating the Mount Rushmore National Memorial Commission, approved February 25, 1929 (45 Stat. 1300), as amended by the Act approved June 26, 1934 (48 Stat. 1223), and the Act approved August 29, 1935 (49 Stat. 962), \$50,000, of which \$30,000 shall be immediately available, together with the unexpended balance of the appropriation for this purpose for the fiscal year 1938: *Provided*, That no part of this appropriation shall be expended for work on any figure, in addition to the four figures authorized by law, upon which work had not commenced as of June 22, 1936.

National Bitumi-  
nous Coal Commis-  
sion.

#### NATIONAL BITUMINOUS COAL COMMISSION

Salaries and expen-  
ses.

Salaries and expenses: For all necessary expenditures of the National Bituminous Coal Commission in performing the duties imposed upon said Commission by the Bituminous Coal Act of 1937,

approved April 26, 1937 (50 Stat. 72), including personal services and rent in the District of Columbia and elsewhere; traveling expenses, including expenses of attendance at meetings which, in the discretion of the Commission, are necessary for the efficient discharge of its responsibilities; contract stenographic reporting services; stationery and office supplies; purchase, rental, exchange, operation, maintenance, and repair of reproducing, photographing, and other such equipment, typewriters, calculating machines, mechanical tabulating equipment, and other office appliances and labor-saving devices; printing and binding; witness fees and fees and mileage in accordance with section 8 of the Bituminous Coal Act of 1937; not to exceed \$5,000 for purchase, exchange, hire, maintenance, operation, and repair of motor-propelled passenger-carrying vehicles for use outside the District of Columbia; garage rentals; miscellaneous items, including those for public instruction and information deemed necessary by the Commission; and not to exceed \$8,500 for purchase and exchange of newspapers, law books, reference books, and periodicals, \$3,000,000.

Consumers' Counsel of the National Bituminous Coal Commission, salaries and expenses: For all necessary expenditures of the office of the Consumers' Counsel of the National Bituminous Coal Commission, in performing the duties imposed upon said office of Consumers' Counsel by the Bituminous Coal Act of 1937, approved April 26, 1937 (50 Stat. 72), including witness fees and mileage for witnesses appearing in his behalf before the National Bituminous Coal Commission and including witnesses before the Interstate Commerce Commission, personal services and rent in the District of Columbia and elsewhere, traveling expenses, including not to exceed \$3,000 for expenses of attendance at meetings at which matters of importance to the work of the Consumers' Counsel are to be discussed, printing and binding, contract stenographic reporting services, stationery and office supplies and equipment, and not to exceed \$1,000 for newspapers, books, and periodicals, \$270,000.

### BONNEVILLE PROJECT

For administering and carrying out the provisions of an Act entitled "An Act to authorize the completion, maintenance, and operation of the Bonneville project, for navigation and for other purposes", approved August 20, 1937, including maintenance and operation of automobiles, purchase of stationery and office supplies, purchase of equipment and other supplies, rent, traveling expenses, telegraph and telephone expenses, printing and binding, and all other necessary expenses, \$165,000.

For construction, purchase and maintenance of transmission lines and purchase of easements and rights-of-way, including personal services, in carrying out the provisions of an Act entitled "An Act to authorize the completion, maintenance, and operation of the Bonneville project, for navigation and for other purposes", approved August 20, 1937, to be immediately available, \$3,500,000.

### GENERAL LAND OFFICE

#### SALARIES

For Commissioner of the General Land Office and other personal services in the District of Columbia, \$687,700, including \$50,000 for temporary employees and, including one clerk, who shall be designated by the President, to sign land patents.

50 Stat. 72.  
15 U. S. C., Supp.  
III, §§ 823-851.  
Attendance at meetings, etc.

Stationery, etc.

Printing and binding.  
Witness fees.  
50 Stat. 86.  
Vehicles.

Consumers' Counsel's office.

50 Stat. 74.  
Witness fees, etc.

Rent.  
Attendance at meetings.

Printing and binding.

Bonneville project.

Administrative expenses.

50 Stat. 731.

Transmission lines, easements, etc.

50 Stat. 731.

General Land Office.

Salaries.

Clerk to sign land patents.

Transcribing records.

**Transcribing records:** For special personal services in the District of Columbia to transcribe worn and defaced records of the General Land Office, \$10,000.

Binding records.

**Binding records:** For personal services in the District of Columbia, purchase and maintenance of equipment, and all other expenses requisite for and incidental to the establishment, operation, and maintenance of a branch of the Government Printing Office in the Interior Building, to bind, rebind, and repair books of record in the General Land Office, to be expended under the supervision of the Public Printer, \$10,000.

General expenses.

#### GENERAL EXPENSES

Traveling expenses, maps, etc.

**For traveling expenses of officers and employees, including employment of stenographers and other assistants when necessary; for separate maps of public-land States and Alaska; for the reproduction by photolithography or otherwise of official plats of surveys; for expenses of restoration to the public domain of lands in forest reserves and of lands temporarily withdrawn for forest-reserve purposes; and for expenses of hearings or other proceedings held by order of the General Land Office to determine the character of lands, whether alleged fraudulent entries are of that character or have been made in compliance with the law, and of hearings in disbarment proceedings, \$15,000.**

Restoration of lands to public domain.

Hearings.

Disbarment proceedings.

Maps.

Delivery provisions.

**For United States maps, prepared in the General Land Office, \$10,000, to be immediately available, all of which maps shall be delivered to the Senate and House of Representatives, except 10 per centum, which shall be delivered to the Commissioner of the General Land Office for official purposes. All maps delivered to the Senate and House of Representatives hereunder shall be mounted with rollers ready for use.**

Public lands. Surveying, etc.

**Surveying public lands:** For surveys and resurveys of public lands, examination of surveys heretofore made and reported to be defective or fraudulent, inspecting mineral deposits, coal fields, and timber districts, making fragmentary surveys, and such other surveys or examinations as may be required for identification of lands for purposes of evidence in any suit or proceeding in behalf of the United States, under the supervision of the Commissioner of the General Land Office and direction of the Secretary of the Interior, \$1,000,000, including not to exceed \$5,000 for the purchase, exchange, operation, and maintenance of motor-propelled passenger-carrying vehicles: *Provided*, That not to exceed \$5,000 of this appropriation may be expended for salaries of employees of the field surveying service temporarily detailed to the General Land Office: *Provided further*, That not to exceed \$10,000 of this appropriation may be used for the survey, classification, and sale of the lands and timber of the so-called Oregon and California Railroad lands and the Coos Bay Wagon Road lands: *Provided further*, That this appropriation may be expended for surveys made under the supervision of the Commissioner of the General Land Office, but when expended for surveys that would not otherwise be chargeable hereto it shall be reimbursed from the applicable appropriation fund, or special deposit.

Vehicles.

*Proviso.*  
Temporarily detailed employees.

Oregon and California Railroad and Coos Bay Wagon Road lands.

Surveys chargeable hereto.

Other surveys, reimbursable.

Registers.

**Registers:** For salaries and commissions of registers of district land offices, \$76,000.

Contingent expenses, land offices.

**Contingent expenses of land offices:** For clerk hire, rent, and other incidental expenses of the district land offices, including the expenses of depositing public money; traveling expenses of clerks detailed to examine the books and management of district land offices and to assist in the operation of said offices, and for traveling expenses of

clerks transferred in the interest of the public service from one district land office to another, \$160,000: *Provided*, That no expenses chargeable to the Government shall be incurred by registers in the conduct of local land offices except upon previous specific authorization by the Commissioner of the General Land Office.

Payments to States of 5 per centum of proceeds from sales of public lands: For payment to the several States of 5 per centum of the net proceeds of sales of public lands lying within their limits, for the purpose of education or of making public roads and improvements, \$2,000: *Provided*, That expenditures hereunder shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

Payment of proceeds of sales of Coos Bay Wagon Road grant lands and timber: For payment of 25 per centum of the balance of the proceeds from sales of the Coos Bay Wagon Road grant lands and timber within each of the counties of Coos and Douglas, Oregon, after deducting the accrued taxes in said counties and a sum equal to \$2.50 per acre for the land title to which revested in the United States pursuant to the Act of February 26, 1919 (40 Stat. 1179), to be paid to the treasurer of the county for common schools, roads, highways, bridges, and port districts, \$30,000: *Provided*, That expenditures hereunder shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

Revested Oregon and California Railroad and Reconveyed Coos Bay Wagon Road Grant Lands, Oregon: For carrying out the provisions of title I of the Act entitled "An Act relating to the revested Oregon and California Railroad and Reconveyed Coos Bay Wagon Road Grant Lands situated in the State of Oregon", approved August 28, 1937 (50 Stat. 874), including fire protection and patrol on these and adjacent and intermingled public lands, through cooperative agreements with Federal, State, and county agencies, or otherwise, and including travel and other necessary expenses, and including not to exceed \$5,000 for personal services in the District of Columbia, and not to exceed \$2,000 for the purchase, exchange, operation, and maintenance of motor-propelled passenger-carrying vehicles, \$125,000, to be immediately available: *Provided*, That such expenditures shall be reimbursed from the 25 per centum referred to in section c, title II of the Act approved August 28, 1937, of the special fund designated the "Oregon and California Land Grant Fund".

Payment to Oklahoma from royalties, oil and gas, south half of Red River: For payment of 37½ per centum of the royalties derived from the south half of Red River in Oklahoma under the provisions of the Act of March 4, 1923 (30 U. S. C. 233), which shall be paid to the State of Oklahoma in lieu of all State and local taxes upon tribal funds accruing under said Act, to be expended by the State in the same manner as if received under section 35 of the Act approved February 25, 1920 (30 U. S. C. 191), \$7,000: *Provided*, That expenditures hereunder shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

## BUREAU OF INDIAN AFFAIRS

### SALARIES

For the Commissioner of Indian Affairs and other personal services in the District of Columbia, \$522,200.

*Proriso.*  
Restriction.

Payments to States  
from sales of public  
lands.

*Proriso.*  
Expenditures lim-  
ited.  
48 Stat. 1227.  
31 U. S. C. § 725c.  
Coos Bay Wagon  
Road grant lands, etc.  
Payment of pro-  
ceeds of sales of.

40 Stat. 1179.

*Proriso.*  
Expenditures lim-  
ited.  
48 Stat. 1227.  
31 U. S. C. § 725c.

Revested Oregon  
and California Rail-  
road, etc., grant lands.  
Conservation man-  
agement.

50 Stat. 874.

Services in the Dis-  
trict.

Vehicles.

*Proriso.*  
Reimbursement.  
50 Stat. 876.

Oklahoma.  
Payment to, from  
royalties, south half  
of Red River.  
42 Stat. 1448.  
30 U. S. C. § 233.  
In lieu of State, etc.,  
taxes.

41 Stat. 450.  
30 U. S. C. § 191.  
*Proriso.*  
Limitation.

48 Stat. 1227.  
31 U. S. C. § 725c.

Bureau of Indian  
Affairs.

Salaries.



## General expenses.

## GENERAL EXPENSES

Traveling, etc., expenses.  
*Post*, p. 1133.  
 Radio, etc., tolls.

For transportation and incidental expenses of officers and clerks of the Bureau of Indian Affairs when traveling on official duty; for radio, telegraph, and telephone toll messages on business pertaining to the Indian Service sent and received by the Bureau of Indian Affairs at Washington, and for other necessary expenses of the Indian Service for which no other appropriation is available, \$35,000.

Supplies; purchase, transportation, etc.

For advertising, inspection, storage, and all other expenses incident to the purchase of goods and supplies for the Indian Service and for payment of railroad, pipe-line, and other transportation costs of such goods and supplies, \$720,000: *Provided*, That no part of this appropriation shall be used in payment for any services except bill therefor is rendered within one year from the time the service is performed.

*Proviso*.  
 Restriction on payments.

Maintenance of law and order on Indian reservations.

For maintaining law and order on Indian reservations, including pay of judges of Indian courts, pay of Indian police, and pay of employees engaged in the suppression of the traffic in intoxicating liquors, marihuana, and deleterious drugs among Indians, and including traveling expenses, supplies, and equipment, \$237,290.

Agency, etc., buildings.  
 Lease, purchase, etc.

For lease, purchase, construction, repair, and improvement of agency buildings, exclusive of hospital buildings, including the purchase of necessary lands and the installation, repair, and improvement of heating, lighting, power, and sewerage and water systems in connection therewith, \$190,000: *Provided*, That no part of this appropriation shall be available for the construction of any building, the total cost of which is in excess of \$1,500.

*Proviso*.  
 Construction costs.

Tribal organizations, expenses.

48 Stat. 986; 49 Stat. 378, 1250, 1967.  
 25 U. S. C. § 476.  
 25 U. S. C., Supp. III, §§ 478a, 478b; 48 U. S. C., Supp. III, §§ 358a, 362; 25 U. S. C., Supp. III, § 501.  
 Services in the District.  
*Provisos*.  
 Traveling allowances.

For expenses of organizing Indian chartered corporations, or other tribal organizations, in accordance with the provisions of the Act of June 18, 1934 (48 Stat. 986), as supplemented and amended by the Acts of June 15, 1935 (49 Stat. 378), May 1, 1936 (49 Stat. 1250), and June 26, 1936 (49 Stat. 1967), including personal services, purchase of equipment and supplies, not to exceed \$3,000 for printing and binding, and other necessary expenses, \$80,000, of which not to exceed \$20,000 may be used for personal services in the District of Columbia: *Provided*, That in the discretion of the Secretary of the Interior, not to exceed \$3 per diem in lieu of subsistence may be allowed to Indians actually traveling away from their place of residence when assisting in organization work: *Provided further*, That no part of this appropriation shall be available for expenditure in that part of the State of New Mexico embraced in the Navajo Indian Reservation, and not to exceed \$5,000 shall be available for expenditure in said State.

Expenditures in New Mexico.

Vehicles, Indian Service.  
 Maintenance, etc.

Vehicles, Indian Service: Not to exceed \$470,800 of applicable appropriations made herein for the Bureau of Indian Affairs shall be available for the maintenance, repair, and operation of motor-propelled and horse-drawn passenger-carrying vehicles for the use of employees in the Indian field service, and the transportation of Indian school pupils, and not to exceed \$200,000 of applicable appropriations may be used for the purchase and exchange of motor-propelled passenger-carrying vehicles, and such vehicles shall be used only for official service, including the transportation of Indian school pupils.

Transportation of Indian school pupils.  
 Purchase and exchange.

Replacement of destroyed, etc., property.

Replacement of property destroyed by fire, flood, or storm: That to meet possible emergencies not exceeding \$35,000 of the appropriations made by this Act for support of reservation and nonreservation schools, for school and agency buildings, and for conservation of health among Indians shall be available, upon approval of the Secretary of the Interior, for replacing any buildings, equipment, supplies, livestock, or other property of those activities of the Indian Service

above referred to which may be destroyed or rendered unserviceable by fire, flood, or storm: *Provided*, That any diversions of appropriations made hereunder shall be reported to Congress in the annual Budget.

*Proviso.*  
Report of diversions  
to Congress.

Authorization for attending health and educational meetings: Not to exceed \$7,000 shall be available from applicable funds for expenses (not membership fees) of employees of the Indian Service when authorized by the Secretary of the Interior to attend meetings of medical, health, educational, agricultural, forestry, engineering, and industrial associations in the interest of work among the Indians.

Attendance at meet-  
ings.

#### INDIAN LANDS

#### Indian lands.

Purchase of land and water rights, and so forth, Pueblo Indians, New Mexico (tribal funds): For the purchase of additional land and water rights, the development of water for irrigation and domestic purposes, the purchase of equipment for industrial advancement, and for such other purposes, except per capita payments, as may be recommended by the governing officials of the Pojoaque Pueblo and be approved by the Commissioner of Indian Affairs, \$56,524.21, payable from trust funds placed to the credit of that pueblo as a result of findings made by the Pueblo Lands Board pursuant to the provisions of the Act of June 7, 1924 (43 Stat. 636); and the funds available under this head for the various pueblos of New Mexico for the fiscal year 1938 are hereby continued available for the same purposes and under the same conditions until expended.

Pueblo Indians, N.  
Mex.  
Land and water  
rights, etc.  
Purchase of, from  
tribal funds.  
Per capita payments  
excepted.

43 Stat. 636.  
Funds continued  
available.  
50 Stat. 571.

Compensation to Pueblo Indians, New Mexico: For the last of three installments for additional compensation to the Pueblo Indians of New Mexico, for loss of land and water rights, and in settlement of the liability of the United States to said Pueblos as declared by the Act of June 7, 1924 (43 Stat. 636), and as authorized by the Act of May 31, 1933 (48 Stat. 109), \$253,960.66, which amount shall be deposited in the Treasury of the United States to the credit of the following-named pueblos:

Compensation for  
loss of land and water  
rights.

43 Stat. 636; 48 Stat.  
109.

Jemez, \$628.34; Nambe, \$15,813.16; Taos, \$28,235.69; Santa Ana, \$969.46; Santo Domingo, \$1,418.86; Sandia, \$4,326.88; San Felipe, \$4,984.85; Isleta, \$15,917.11; Picuris, \$22,191.46; San Ildefonso, \$12,352.76; San Juan, \$51,287.68; Santa Clara, \$60,371.41; Cochiti, \$12,608.79; Pojoaque, \$22,854.21: *Provided*, That expenditures may be made from the foregoing sums, as authorized by the Act of May 31, 1933, for the purchase of lands and water rights, purchase or construction of reservoirs, irrigation works, or other permanent improvements upon or for the benefit of the lands of said pueblos and for such other purposes, except per capita payments, as may be recommended by the governing officials of the particular pueblos involved, and be approved by the Commissioner of Indian Affairs.

Pueblos designated.

*Proviso.*  
Acquisition of lands,  
water rights, etc.  
48 Stat. 109.

Compensation to non-Indian claimants, Pueblo Indian Lands, New Mexico: The unexpended balances of appropriations heretofore made for compensation to non-Indian claimants, Pueblo Indian Lands, New Mexico, are hereby continued available for this purpose until expended.

Compensation to  
non-Indian claimants,  
Pueblo lands, N. Mex.  
50 Stat. 572.

Purchase of land for the Navajo Indians, Arizona, reimbursable: The unexpended balance of the appropriation contained in the Deficiency Appropriation Act, fiscal year 1934, for the purchase of land, and improvements thereon, including water rights, for the Navajo Indians in Arizona, as authorized by and in conformity with the provisions of the Act of June 14, 1934 (48 Stat. 961), is hereby continued available for the same purposes until June 30, 1939.

Navajo Indians,  
Ariz.  
Purchase of land,  
reimbursable.  
Reappropriation.  
48 Stat. 1033.

48 Stat. 961.

Navajo Indians,  
Ariz.  
Purchase of land,  
from tribal funds.  
48 Stat. 960.

*Provisos.*  
Restriction on ex-  
penditure.

Mineral, etc., reser-  
vation.

Lease of lands and  
water rights.

Acquisition of  
lands, etc.

48 Stat. 984.

Balance reappropri-  
ated.

50 Stat. 573.

*Provisos.*  
Contracts.

Restriction on use  
of funds.

Restricted Indian  
land, balance for pay-  
ment of taxes, etc.,  
continued available.  
50 Stat. 573.

49 Stat. 1542.  
25 U. S. C., Supp.  
III, § 412a.  
Confederated Bands  
of Utes, Utah.  
Purchase of addi-  
tional lands, etc.

50 Stat. 573.

Cheyenne River  
Reservation, S. Dak.  
Purchase of land,  
etc.

Purchase of land for the Navajo Indians, Arizona (tribal funds): For purchase, in accordance with the provisions of the Act of June 14, 1934 (48 Stat. 961), of lands from the New Mexico and Arizona Land Company within the Navajo Indian Reservation, Arizona, at \$1.67 per acre, \$40,000, payable from funds on deposit to the credit of the Navajo Tribe: *Provided*, That no part of this appropriation shall be expended until the New Mexico and Arizona Land Company has completed the exchanges to be made by it under authority contained in the said Act of June 14, 1934: *Provided further*, That title may be accepted subject to a reservation of the oil, gas, and minerals to lands yet to be acquired through purchase or exchange under authority contained in this paragraph or in the Act of June 14, 1934.

Leasing of lands for Navajo Indians (tribal funds): For lease, pending purchase, of land and water rights for the use and benefit of Indians of the Navajo Tribe in Arizona and New Mexico, \$20,000, payable from funds on deposit to the credit of the Navajo Tribe.

For the acquisition of lands, interest in lands, water rights and surface rights to lands, and for expenses incident to such acquisition, in accordance with the provisions of the Act of June 18, 1934 (48 Stat. 985), including personal services, purchase of equipment and supplies, and other necessary expenses, \$500,000, together with the unexpended balance of the appropriation for this purpose for the fiscal year 1938, of which not to exceed \$20,000 shall be available for personal services in the District of Columbia: *Provided*, That in addition to the amount herein appropriated the Secretary of the Interior may also incur obligations, and enter into contracts for the acquisition of additional land, not exceeding a total of \$250,000, and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof, and appropriations hereafter made for the acquisition of land pursuant to the authorization contained in the Act of June 18, 1934, shall be available for the purpose of discharging the obligation or obligations so created: *Provided further*, That no part of the sum herein appropriated or of this contract authorization shall be used for the acquisition of land within the States of Arizona, Colorado, New Mexico, and Wyoming outside of the boundaries of existing Indian reservations.

The unexpended balance of the appropriation of \$25,000 contained in the Interior Department Appropriation Act, fiscal year 1938, for the payment of taxes, including penalties and interest, assessed against individually owned Indian land, title to which is held subject to restrictions against alienation or encumbrance except with the consent or approval of the Secretary of the Interior, when such land was purchased with trust or restricted funds with the understanding that after purchase it would be nontaxable, as authorized by the Act of June 20, 1936 (49 Stat. 1542), is hereby continued available for the same purposes until June 30, 1939.

Purchase of land, Confederated Bands of Utes, Utah (tribal funds): The unexpended balances of the amounts authorized to be expended by the Interior Department Appropriation Act for the fiscal year 1938 for the purchase of additional lands and improvements for the Confederated Bands of Ute Indians in Utah, are hereby continued available for the same purposes until June 30, 1939.

Purchase of land, Cheyenne River Reservation, South Dakota (tribal funds): For the purchase of Indian-owned and privately owned land, and improvements thereon, in the Cheyenne River Reservation, South Dakota, \$12,500, payable from funds on deposit to the

credit of the Cheyenne River Indians: *Provided*, That title to any land or improvements so purchased shall be taken in the name of the United States in trust for the Cheyenne River Tribe: *Provided further*, That the unexpended balance of the appropriation from tribal funds made for this purpose for the fiscal year 1938 is hereby continued available until June 30, 1939.

Land surveys, Choctaw and Chickasaw Nations, Oklahoma (tribal funds): For the survey of certain lands of the Choctaw and Chickasaw Indians of Oklahoma, \$15,000, payable from funds on deposit to the credit of said Indians.

*Proviso.*  
Title to land.

Balance continued available.  
50 Stat. 573.

Choctaws and Chickasaws, Okla., land surveys.

#### INDUSTRIAL ASSISTANCE AND ADVANCEMENT

For the preservation of timber on Indian reservations and allotments other than the Menominee Indian Reservation in Wisconsin, the education of Indians in the proper care of forests, and the general administration of forestry and grazing work, including fire prevention and payment of reasonable rewards for information leading to arrest and conviction of a person or persons setting forest fires, or taking or otherwise destroying timber, in contravention of law on Indian lands, \$320,000: *Provided*, That this appropriation shall be available for the expenses of administration of Indian forest lands from which timber is sold to the extent only that proceeds from the sales of timber from such lands are insufficient for that purpose.

For expenses incidental to the sale of timber, and for the expenses of administration, including fire prevention, of Indian forest lands from which such timber is sold to the extent that the proceeds of such sales are sufficient for that purpose, \$120,000, reimbursable to the United States as provided in the Act of February 14, 1920 (25 U. S. C. 413): *Provided*, That this appropriation shall be available for the payment of reasonable rewards for information leading to arrest and conviction of a person or persons setting forest fires, or taking or otherwise destroying timber, in contravention of law.

For the suppression or emergency prevention of forest fires on or threatening Indian reservations, \$15,000, together with \$25,000 from funds held by the United States in trust for the respective tribes of Indians interested: *Provided*, That not to exceed \$50,000 of appropriations herein made for timber operations shall be available upon the approval of the Secretary of the Interior, for fire-suppression or emergency prevention purposes: *Provided further*, That any diversions of appropriations made hereunder shall be reported to Congress in the annual Budget.

For transfer to the Geological Survey for expenditures to be made in inspecting mines and examining mineral deposits on Indian lands and in supervising mining operations on restricted, tribal, and allotted Indian lands leased under the provisions of the Acts of February 28, 1891 (25 U. S. C. 336, 371, 397), May 27, 1908 (35 Stat. 312), March 3, 1909 (25 U. S. C. 396), and other Acts authorizing the leasing of such lands for mining purposes, \$95,000, to be reimbursed under the provisions of the Act of February 14, 1920, as amended (25 U. S. C. 413).

For the purpose of obtaining remunerative employment for Indians, \$38,500.

For the purpose of developing agriculture and stock raising among the Indians, including necessary personnel, traveling and other expenses, and purchase of supplies and equipment, \$660,000, of which not to exceed \$15,000 may be used to conduct agricultural experiments and demonstrations on Indian school or agency farms and to maintain

Industrial assistance and advancement.

Timber preservation, etc.

*Proviso.*  
Restriction on use of funds.

Timber sales, etc., expenses; reimbursable.

41 Stat. 415.  
25 U. S. C. § 413.  
*Proviso.*  
Rewards for information.

Suppression, etc., of forest fires.

*Proviso.*  
Additional amount available.

Report of diversions to Congress.

Geological Survey.  
Transfers of sums to, for supervising mining operations.

26 Stat. 794; 35 Stat. 312, 444, 783.  
25 U. S. C. §§ 336, 371, 396, 397.  
Reimbursement.  
41 Stat. 415.  
25 U. S. C. § 413.

Obtaining employment for Indians.

Development of agriculture and stock raising.

Agricultural experiments and demonstrations.

Navajo sheep breeding station.

Loans to encourage industry, etc.

*Provisos.*  
Conditions for repayment.

Loans on irrigable lands.

Limitation; exception.

Advances to old, etc., allottees.

Advances to Indian youths for educational purposes.

Reimbursement.

Purchase, disposition of sheep and other livestock.  
50 Stat. 574.

Industrial assistance.

Construction of homes, purchase of seed, equipment, etc.  
Advances to old, etc., Indians.  
Post, p. 1130.

50 Stat. 575; 47 Stat. 335.

*Provisos.*  
Conditions for repayment.

Loans on irrigable lands.

a supply of suitable plants or seed for issue to Indians, and not to exceed \$30,000 may be used for the operation and maintenance of a sheep-breeding station on the Navajo Reservation.

For the purpose of encouraging industry and self-support among the Indians and to aid them in the culture of fruits, grains, and other crops, \$240,000, which sum may be advanced to Indians for the purchase of seeds, animals, machinery, tools, implements, and other equipment necessary, and for advances to Indians having irrigable allotments to assist them in the development and cultivation thereof, in the discretion of the Secretary of the Interior, to enable Indians to become self-supporting: *Provided*, That hereafter the expenditures for the purposes above set forth shall be under conditions to be prescribed by the Secretary of the Interior for repayment to the United States on or before the expiration of five years, except in the case of loans on irrigable lands for permanent improvement of said lands, in which the period for repayment may run for not exceeding twenty years, in the discretion of the Secretary of the Interior: *Provided further*, That except for the Navajo Indians in Arizona and New Mexico not to exceed \$25,000 of the amount herein appropriated shall be expended on any one reservation or for the benefit of any one tribe of Indians: *Provided further*, That hereafter the Secretary of the Interior is authorized, in his discretion and under such rules and regulations as he may prescribe, to make advances to old, disabled, or indigent Indian allottees, for their support, to remain a charge and lien against their land until paid; such advances for the fiscal year 1939 to be made from the appropriation in this paragraph and those for fiscal years thereafter to be made from appropriations specifically available for such purposes: *Provided further*, That not to exceed \$15,000 may be advanced to worthy Indian youths to enable them to take educational courses, including courses in nursing, home economics, forestry, and other industrial subjects in colleges, universities, or other institutions, and advances so made shall be reimbursed in not to exceed eight years, under such rules and regulations as the Secretary of the Interior may prescribe: *Provided further*, That not to exceed \$75,000 of the amount herein appropriated, together with \$50,000 made available for this purpose under this head in the Interior Department Appropriation Act for the fiscal year 1938, and hereby continued available for the same purpose for the fiscal year 1939, may be advanced to the Navajo Tribe of Indians for the purchase, feeding, sale, or other disposition of sheep, goats, and other livestock belonging to the Navajo Indians.

Industrial assistance (tribal funds): For the construction of homes for individual members of the tribes; for advances to them for the purchase of seed, animals, machinery, tools, implements, building material, and other equipment and supplies; and for advances to old, disabled, or indigent Indians for their support and burial, and Indians having irrigable allotments to assist them in the development and cultivation thereof, to be immediately available, \$28,000, payable from tribal funds as follows: Rocky Boy, Montana, \$3,000; Truxton Canyon, Arizona, \$25,000; and the unexpended balances of funds available under this head in the Interior Department Appropriation Act for the fiscal year 1938, and the Act of June 27, 1932 (47 Stat. 335), are hereby continued available during the fiscal year 1939: *Provided*, That the expenditures for the purposes above set forth shall be under conditions to be prescribed by the Secretary of the Interior for repayment to the United States on or before June 30, 1944, except in the case of loans on irrigable lands for permanent improvement of said lands in which the period for repayment may run for not exceeding twenty years, in the discretion of

the Secretary of the Interior, and advances to old, disabled, or indigent Indians for their support and burial, which shall remain a charge and lien against their land until paid: *Provided further*, That advances may be made to worthy Indian youths to enable them to take educational courses, including courses in nursing, home economics, forestry, and other industrial subjects in colleges, universities, or other institutions and advances so made shall be reimbursed in not to exceed eight years under such rules and regulations as the Secretary of the Interior may prescribe: *Provided further*, That all moneys reimbursed during the fiscal year 1939 shall be credited to the respective appropriations and be available for the purposes of this paragraph: *Provided further*, That funds available under this paragraph may be used for the establishment and operation of tribal enterprises when proposed by Indian tribes and approved by the Secretary of the Interior, and revenues derived therefrom shall be covered into the Treasury to the credit of the respective tribes: *Provided further*, That the unexpended balances of prior appropriations under this head for any tribe, including reimbursements to such appropriations and the appropriations made herein, may be advanced to such tribe, if incorporated, for making loans to members of the tribal corporation under rules and regulations established for the making of loans from the revolving loan fund authorized by the Act of June 18, 1934 (25 U. S. C. 470).

For an additional amount to be added to the appropriations heretofore made, for the establishment of a revolving fund for the purpose of making and administering loans to Indian chartered corporations in accordance with the Act of June 18, 1934 (48 Stat. 986), and of making and administering loans to individual Indians and to associations or corporate groups of Indians of Oklahoma in accordance with the Act of June 26, 1936 (49 Stat. 1967), \$400,000, of which amount not to exceed \$20,500 shall be available for personal services in the District of Columbia, and \$100,000 shall be available for personal services in the field, for purchase of equipment and supplies, and for other necessary expenses of administering such loans, including not more than \$2,500 for printing and binding.

For the development, under the direction of the Commissioner of Indian Affairs, of Indian arts and crafts, as authorized by the Act of August 27, 1935 (49 Stat. 891), including personal services, purchase and transportation of equipment and supplies, purchase of periodicals, directories, and books of reference, purchase and operation of motor-propelled passenger-carrying vehicles, telegraph and telephone services, cost of packing, crating, drayage, and transportation of personal effects of employees upon permanent change of station, expenses of exhibits and of attendance at meetings concerned with the development of Indian arts and crafts, traveling expenses, including payment of actual transportation expenses and not to exceed \$10 per diem in lieu of subsistence and other expenses of members of the Indian Arts and Crafts Board, serving without other compensation from the United States, while absent from their homes, not to exceed \$2,500 for printing and binding, and other necessary expenses, \$42,500, of which not to exceed \$16,000 shall be available for personal services in the District of Columbia: *Provided*, That no part of this appropriation shall be used to pay any salary at a rate exceeding \$7,500 per annum.

#### DEVELOPMENT OF WATER SUPPLY

Developing water supply: For developing and conserving water for domestic and stock purposes on lands of the Navajo and Hopi Indians in Arizona and New Mexico, the Papago Indians in Arizona,

Advances to old, etc., Indians.

Advances to Indian youths for educational purposes; reimbursement.

Credits and availability.

Establishment of tribal enterprises.

Loans from revolving fund.

48 Stat. 986.  
25 U. S. C. § 470.

Additional amount, revolving fund for loans.

48 Stat. 986.  
Loans to individual Indians, etc.

49 Stat. 1967.  
25 U. S. C., Supp. III, § 501.  
Services in the District.

Indian arts and crafts, development.

49 Stat. 891.  
25 U. S. C., Supp. III, § 305.

Vehicles.

Arts and Crafts Board, expenses.

Printing and binding.

Proviso.  
Salary restriction.

Water supply.

Developing and conserving, in Arizona and New Mexico.

and the Pueblo Indians of New Mexico, including the purchase and installation of pumping machinery, and other necessary equipment, and for operation and maintenance thereof, \$70,000.

Irrigation and drainage.

#### IRRIGATION AND DRAINAGE

Construction, maintenance, etc., of designated projects.

For the construction, repair, and maintenance of irrigation systems, and for purchase or rental of irrigation tools and appliances, water rights, ditches, and lands necessary for irrigation purposes for Indian reservations and allotments; for operation of irrigation systems or appurtenances thereto when no other funds are applicable or available for the purpose; for drainage and protection of irrigable lands from damage by floods or loss of water rights, upon the Indian irrigation projects named below, in not to exceed the following amounts, respectively:

Miscellaneous projects.  
Limitation.

48 Stat. 1227.  
31 U. S. C. § 725c.

Miscellaneous projects, \$23,000; Arizona: Ak Chin, \$4,000; Chiu Chui, \$4,000; Ganado, \$1,500; together with \$1,000, from which amount expenditures shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934; Navajo and Hopi, miscellaneous projects, Arizona and New Mexico, \$8,500; San Xavier, \$2,000; California: Coachella Valley, \$1,000; Morongo, \$4,000; Pala and Rincon, \$3,500, together with \$500, from which expenditures shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of said Repeal Act; Colorado: Southern Ute, \$13,000, together with \$2,000, from which amount expenditures shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the said Repeal Act; Nevada: Pyramid Lake, \$3,000; Walker River, \$5,000; Western Shoshone, \$5,000; New Mexico: Miscellaneous Pueblos, \$25,000; Washington: Colville, \$3,500, together with \$500, from which amount expenditures shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of said Repeal Act; Lummi Diking Project, \$1,000, together with \$2,000, from which amount expenditures shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of said Repeal Act;

Administrative expenses.

For necessary miscellaneous expenses incident to the general administration of Indian irrigation projects, including pay of employees and their traveling and incidental expenses, \$60,000;

Total; reimbursable.  
*Provisos.*  
Amounts interchangeable; limitation.

In all, for irrigation on Indian reservations, not to exceed \$170,000, reimbursable: *Provided*, That the foregoing amounts shall be available interchangeably, in the discretion of the Secretary of the Interior, for the necessary expenditures for damages by floods and other unforeseen exigencies, but the amount so interchanged shall not exceed in the aggregate 10 per centum of all the amounts so appropriated: *Provided further*, That the cost of irrigation projects and of operating and maintaining such projects where reimbursement thereof is required by law shall be apportioned on a per-acre basis against the lands under the respective projects and shall be collected by the Secretary of the Interior as required by such law, and any unpaid charges outstanding against such lands shall constitute a first lien thereon which shall be recited in any patent or instrument issued for such lands.

Apportionment of expenses on per-acre basis.

Unpaid charges a first lien.

San Carlos project, Ariz.  
Maintenance, etc.

For operation and maintenance of the San Carlos project for the irrigation of lands in the Gila River Indian Reservation, Arizona, \$57,315, reimbursable, together with \$137,685 (operation and maintenance collections) and \$150,000 (power revenues), of which latter sum not to exceed \$25,000 shall be available for major repairs in case of unforeseen emergencies caused by fire, flood, or storm, from which

Emergencies.

amounts of \$137,685 and \$150,000, respectively, expenditures shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934; in all, \$345,000.

For continuing subjugation and for cropping operations on the lands of the Pima Indians in Arizona, there shall be available not to exceed \$200,000 of the revenues derived from these operations and deposited into the Treasury of the United States to the credit of such Indians, and such revenues are hereby made available for payment of irrigation operation and maintenance charges assessed against tribal or allotted lands of said Pima Indians.

For improvement, operation, and maintenance of the pumping plants and irrigation system on the Colorado River Indian Reservation, Arizona, as provided in the Act of April 4, 1910 (36 Stat. 273), \$17,000, reimbursable, together with \$23,000, from which amount expenditures shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

Operation and maintenance, pumping plants, San Carlos Reservation, Arizona (tribal funds): For the operation and maintenance of pumping plants for the irrigation of lands on the San Carlos Reservation, in Arizona, \$5,000, to be paid from the funds held by the United States in trust for the Indians of such reservation: *Provided*, That the sum so used shall be reimbursed to the tribe by the Indians benefited under such rules and regulations as the Secretary of the Interior may prescribe.

For reclamation and maintenance charges on Indian lands within the Yuma Reservation, California, and on ten acres within each of the eleven Yuma homestead entries in Arizona under the Yuma reclamation project, \$21,000, reimbursable.

For improvements, maintenance, and operation of the Fort Hall irrigation system, Idaho, and for the investigation of damage claims in connection therewith, \$27,000, together with \$25,000, from which amount expenditures shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

For maintenance and operation, repairs, and purchase of stored waters, irrigation systems, Fort Belknap Reservation, Montana, \$14,800, reimbursable, together with \$4,200 from which amount expenditures shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

For maintenance and operation of the several units of the Fort Peck project, Montana, including not to exceed four thousand acres under the West Side Canal of the Poplar River Division, \$8,000, reimbursable, together with \$3,000 from which amount expenditures shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

For operation and maintenance of the irrigation systems on the Flathead Reservation, Montana, \$10,000, reimbursable, together with \$100,000 (operation and maintenance collections) and \$50,000 (power revenues), from which amounts of \$100,000 and \$50,000, respectively, expenditures shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934; in all, \$160,000.

For improvement, maintenance, and operation of the irrigation systems on the Crow Reservation, Montana, including maintenance assessments payable to the Two Leggings Water Users' Association and

Limitation.  
48 Stat. 1227.  
31 U. S. C. § 725c.

Pima Indians, Ariz.  
Subjugation and  
cropping operations  
on lands of.

Irrigation oper-  
ation, etc., charges.

Colorado River Res-  
ervation, Ariz.  
Maintenance, etc.,  
of system.  
36 Stat. 273.  
Reimbursable.

48 Stat. 1227.  
31 U. S. C. § 725c.

San Carlos Reser-  
vation, Ariz.  
Operation, etc., of  
pumping plants.

*Proviso.*  
Reimbursement.

Yuma Reservation,  
Calif.-Ariz.  
Reclamation, etc.,  
charges.

Fort Hall system,  
Idaho.  
Maintenance, etc.  
Limitation.

48 Stat. 1227.  
31 U. S. C. § 725c.

Fort Belknap Reser-  
vation, Mont.  
Maintenance, etc.,  
of system.  
Limitation.

48 Stat. 1227.  
31 U. S. C. § 725c.

Fort Peck project,  
Mont.  
Maintenance, etc.

Limitation.

Flathead Reserva-  
tion, Mont.  
Maintenance, etc.

Limitation.

48 Stat. 1227.  
31 U. S. C. § 725c.

Crow Reservation,  
Mont.  
Maintenance, etc.



48 Stat. 1227.  
31 U. S. C. § 725c.  
Newlands project,  
Nev.  
Payment of charges  
against Paiute lands.  
Drains to Truckee-  
Carson district.

Navajo Reserva-  
tion, N. Mex.  
Operation of Hog-  
back project.

48 Stat. 1227.  
31 U. S. C. § 725c.  
Fruitlands project,  
N. Mex.  
Maintenance, etc.

48 Stat. 1227.  
31 U. S. C. § 725c.  
Middle Rio Grande  
Conservancy District,  
N. Mex.  
Maintenance, etc.

Final payment to.

45 Stat. 312.  
Reimbursement.

Klamath Reserva-  
tion, Oreg.  
Operation of proj-  
ects on; limitation.

48 Stat. 1227.  
31 U. S. C. § 725c.

Uncompahgre, etc.,  
Utes in Utah.  
Irrigation of allotted  
lands.

34 Stat. 375.  
Reimbursable.

48 Stat. 1227.  
31 U. S. C. § 725c.

Yakima Reserva-  
tion, Wash.  
Wapato system,  
maintenance, etc.

48 Stat. 1227.  
31 U. S. C. § 725c.  
Reimbursement to  
reclamation fund for  
reservoir mainte-  
nance, etc.

Bozeman Trail Ditch Company, Montana, properly assessable against lands allotted to the Indians and irrigable thereunder, \$5,000, reimbursable, together with \$45,000 from which amount expenditures shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

For payment of annual installment of reclamation charges against Paiute Indian lands within the Newlands reclamation project, Nevada, \$5,381; and for payment in advance, as provided by district law, of operation and maintenance assessments, including assessments for the operation of drains to the Truckee-Carson irrigation district, which district, under contract, is operating the Newlands reclamation project, \$5,565, to be immediately available; in all, \$10,946.

For operation and maintenance of the Hogback irrigation project on that part of the Navajo Reservation in New Mexico under the jurisdiction of the Northern Navajo Agency, \$15,000, reimbursable, together with \$5,000, from which amount expenditures shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

For maintenance and operation of the Fruitlands irrigation project, Navajo Reservation, New Mexico, \$14,000, reimbursable, together with \$4,000, from which amount expenditures shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

For operation and maintenance assessments on newly reclaimed Indian lands within the Middle Rio Grande Conservancy District, New Mexico, \$11,250, or so much thereof as may be necessary, reimbursable.

For final payment to the Middle Rio Grande Conservancy District, New Mexico, in accordance with the provisions of the Act entitled "An Act authorizing the Secretary of the Interior to execute an agreement with the Middle Rio Grande Conservancy District providing for conservation, irrigation, drainage, and flood control for the Pueblo Indian lands in the Rio Grande Valley, New Mexico, and for other purposes", approved March 13, 1928 (45 Stat. 312), \$20,000, or so much thereof as may be necessary, to be immediately available and to be reimbursed as provided in said Act.

For improvements, maintenance, and operation of miscellaneous irrigation projects on the Klamath Reservation, \$1,000, reimbursable, together with \$4,000, from which amount expenditures shall not exceed the aggregate receipts from operation and maintenance collections on the Sand Creek and Modoc Point units covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

For continuing operation and maintenance and betterment of the irrigation system to irrigate allotted lands of the Uncompahgre, Uintah, and White River Utes in Utah, authorized under the Act of June 21, 1906 (34 Stat. 375), \$20,000, reimbursable, together with \$40,000, from which amount expenditures shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

For operation and maintenance of the Wapato irrigation and drainage system, and auxiliary units thereof, Yakima Indian Reservation, Washington, \$1,000, reimbursable, together with \$160,000 (collections from the water users on the Wapato-Satus, Toppenish-Simcoe, and Ahtanum units), from which amount expenditures shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

For reimbursement to the reclamation fund the proportionate expense of operation and maintenance of the reservoirs for furnish-

ing stored water to lands in the Yakima Indian Reservation, Washington, in accordance with the provisions of section 22 of the Act of August 1, 1914 (38 Stat. 604), \$13,000.

For operation and maintenance of irrigation systems within the ceded and diminished portions of the Wind River Reservation, Wyoming, including the Indians' pro rata share of the cost of operation and maintenance of the Riverton-Le Clair irrigation district and the Big Bend drainage district on the ceded reservation, \$30,000, reimbursable, together with \$20,000 from which amount expenditures shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

For the construction, repair, and rehabilitation of irrigation systems on Indian reservations; for the purchase or rental of equipment, tools, and appliances; for the acquisition of rights-of-way, and payment of damages in connection with such irrigation systems; for the development of domestic and stock water and water for subsistence gardens; for the purchase of water rights, ditches, and lands needed for such projects; and for drainage and protection of irrigable lands from damage by floods or loss of water rights, as follows:

Arizona: Colorado River, as authorized by and in accordance with section 2 of the Rivers and Harbors Act, approved August 30, 1935 (49 Stat. 1039, 1040), \$700,000, reimbursable, and in addition thereto the Secretary of the Interior may also incur obligations and enter into a contract or contracts not exceeding the total amount of \$800,000 and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof, and appropriations hereafter made for continuing construction of this project shall be available for the purpose of discharging the obligation or obligations so created; Fort Apache, \$10,000, reimbursable; Hopi, \$25,000, reimbursable; Navajo, Arizona and New Mexico, \$100,000, reimbursable; Salt River, \$200,000, reimbursable; San Xavier, \$30,000, reimbursable; San Carlos, \$25,000, reimbursable;

San Carlos project (Pima Reservation), Arizona: The Secretary of the Interior is hereby authorized to enter into a contract or contracts prior to July 1, 1939, for the development of additional power, San Carlos project (Pima Reservation), Arizona, at a total cost of not to exceed \$300,000, reimbursable;

California: Mission, \$25,000, reimbursable; Sacramento, \$25,000, reimbursable;

Colorado: Southern Ute, \$65,000, reimbursable;

Montana: Flathead, \$500,000, reimbursable; Crow, \$200,000, reimbursable; Fort Belknap, \$12,000, reimbursable; Blackfeet, \$83,000, reimbursable; Fort Peck, \$100,000, reimbursable;

Nevada: Western Shoshone, \$50,000, reimbursable; Walker River, \$40,000, reimbursable; Pyramid Lake, \$25,000, reimbursable;

New Mexico: Mescalero, \$15,000, reimbursable; Pueblo, \$75,000, reimbursable;

Oregon: Klamath, \$11,000, reimbursable; Warm Springs, \$15,000, reimbursable;

Utah: Uintah, \$50,000, reimbursable;

Washington: Wapato, \$100,000, reimbursable;

Wyoming: Wind River, \$20,000, reimbursable;

Miscellaneous garden tracts, \$60,000, reimbursable;

For administrative expenses, including personal services in the District of Columbia and elsewhere, and not to exceed \$3,000 for printing and binding, \$75,000, reimbursable;

In all, \$2,636,000, to be immediately available, which amount, together with the unexpended balances of funds made available

38 Stat. 604.

Wind River Reservation, Wyo.  
Maintenance, etc.  
Riverton-Le Clair district.  
Big Bend district.

48 Stat. 1227.

31 U. S. C. § 725c.

Irrigation and drainage.  
Construction, maintenance, etc.

Arizona.

49 Stat. 1040.  
Contracts.

San Carlos, additional power.

California.

Colorado.

Montana.

Nevada.

New Mexico.

Oregon.

Utah.

Washington.

Wyoming.

Miscellaneous garden tracts.  
Administrative expenses.  
Printing and binding.

Availability.

50 Stat. 580.  
*Proviso.*  
Amounts inter-  
changeable.

under this head in the Interior Department Appropriation Act, fiscal year 1938, shall remain available until June 30, 1939: *Provided*, That the foregoing amounts may be used interchangeably in the discretion of the Secretary of the Interior, but not more than 10 per centum of any specific amount shall be transferred to any other amount, and no appropriation shall be increased by more than 15 per centum.

#### Education.

#### EDUCATION

Support of Indian  
schools, etc.

For the support of Indian schools not otherwise provided for, and for other Indian educational purposes, including educational facilities authorized by treaty provisions, care of Indian children of school age attending public and private schools, and tuition and other assistance for Indian pupils attending public schools, \$5,957,165: *Provided*, That not to exceed \$20,000 of this appropriation may be used for the support and education of deaf and dumb or blind, physically handicapped, or mentally deficient Indian children: *Provided further*, That \$60,000 of this appropriation shall be available for subsistence of pupils in reservation and nonreservation boarding schools during summer months: *Provided further*, That not more than \$15,000 of the amount herein appropriated may be expended for the tuition (which may be paid in advance) of Indian pupils attending vocational or higher educational institutions, under such rules and regulations as the Secretary of the Interior may prescribe: *Provided further*, That formal contracts shall not be required, for compliance with section 3744 of the Revised Statutes (41 U. S. C. 16), for payment (which may be made from the date of admission) of tuition and for care of Indian pupils attending public and private schools, higher educational institutions, or schools for the deaf and dumb, blind, physically handicapped, or mentally deficient: *Provided further*, That not to exceed \$10,000 of this appropriation may be used for printing and binding in authorized Indian-school printing plants: *Provided further*, That no part of any appropriation for the Bureau of Indian Affairs shall be available for expenses of travel for the study of educational systems or practices outside the continental limits of the United States and the Territory of Alaska.

*Provisos.*  
Deaf and dumb or  
blind, etc.

Subsistence, board-  
ing schools.

Vocational, etc.,  
courses, tuition.

Formal contracts  
not required.  
R. S. § 3744.  
41 U. S. C. § 16.

Printing and bind-  
ing, limitation.

Travel outside con-  
tinental United  
States, limitation.

Support of schools  
from tribal funds.

Support of Indian schools from tribal funds: For the support of Indian schools, and for other educational purposes, including care of Indian children of school age attending public and private schools, tuition and other assistance for Indian pupils attending public schools, and support and education of deaf and dumb or blind, physically handicapped, or mentally deficient Indian children, there may be expended from Indian tribal funds and from school revenues arising under the Act of May 17, 1926 (25 U. S. C. 155), not more than \$312,995, including not to exceed \$63,750 for payment of tuition for Chippewa Indian children enrolled in public schools and care of children of school age attending private schools in the State of Minnesota, payable from the principal sum on deposit to the credit of the Chippewa Indians in the State of Minnesota arising under section 7 of the Act of January 14, 1889 (25 Stat. 645): *Provided*, That formal contracts shall not be required, for compliance with section 3744 of the Revised Statutes (41 U. S. C. 16), for payment (which may be made from the date of admission) of tuition and for care of Indian pupils attending public schools, or schools for the deaf and dumb, blind, physically handicapped, or mentally deficient.

44 Stat. 560.  
25 U. S. C. § 155.  
Chippewas in Min-  
nesota.

25 Stat. 645.  
*Proviso.*  
Formal contracts  
not required.  
R. S. § 3744.  
41 U. S. C. § 16.

Saint Louis Mission  
Boarding School,  
Okla.  
Osage pupils.

Education, Osage Nation, Oklahoma (tribal funds): For the education of unallotted Osage Indian children in the Saint Louis Mission Boarding School, Oklahoma, \$2,000, payable from funds held in trust by the United States for the Osage Tribe.

For reimbursable loans to Indians for the payment of tuition and other expenses in recognized vocational and trade schools, including colleges and universities offering recognized vocational, trade, and professional courses, in accordance with the provisions of the Act of June 18, 1934 (48 Stat. 986), and for apprentice training in manufacturing and other commercial establishments, \$100,000, and the unexpended balance of the appropriation available for the fiscal year 1938 is continued available until June 30, 1939: *Provided*, That not more than \$50,000 of the amount available for the fiscal year 1939 shall be available for loans to Indian students pursuing liberal-arts courses in high schools and colleges: *Provided further*, That advances made under this authorization shall be reimbursed in not to exceed eight years, under such rules and regulations as the Secretary of the Interior may prescribe.

For lease, purchase, repair, and improvement of buildings at Indian schools not otherwise provided for, including the purchase of necessary lands for school purposes and the installation, repair, and improvement of heating, lighting, power, sewer, and water systems in connection therewith, and including not to exceed \$15,000 for the purchase of materials for the use of Indian pupils in the construction of buildings (not to exceed \$1,500 for any one building) at Indian schools not otherwise provided for, \$380,000.

For support and education of Indian pupils at the following non-reservation boarding schools in not to exceed the following amounts, respectively:

Phoenix, Arizona: For four hundred and fifty pupils, including not to exceed \$2,500 for printing and issuing school paper, \$154,750; for pay of superintendent or other officer in charge, drayage, and general repairs and improvements, \$25,000; in all, \$179,750;

Sherman Institute, Riverside, California: For six hundred and fifty pupils, including not to exceed \$1,000 for printing and issuing school paper, \$221,000; for pay of superintendent, drayage, and general repairs and improvements, \$23,500; in all, \$244,500;

Haskell Institute, Lawrence, Kansas: For six hundred and twenty-five pupils, including not to exceed \$2,500 for printing and issuing school paper, \$212,500; for pay of superintendent, drayage, and general repairs and improvements, including necessary drainage work, \$24,000; in all, \$236,500;

Pipestone, Minnesota: For three hundred pupils, \$97,750; for pay of superintendent, drayage, and general repairs and improvements, \$16,000; in all, \$113,750;

Carson City, Nevada: For five hundred and twenty-five pupils, \$168,500; for pay of superintendent, drayage, and general repairs and improvements, \$18,000; in all, \$186,500;

Albuquerque, New Mexico: For six hundred pupils, \$204,000; for pay of superintendent or other officer in charge, drayage, and general repairs and improvements, \$24,000; in all, \$228,000;

Santa Fe, New Mexico: For four hundred pupils, \$142,000; for drayage, and general repairs and improvements, \$13,000; in all, \$155,000;

Wahpeton, North Dakota: For three hundred pupils, \$97,250; for pay of superintendent, drayage, and general repairs and improvements, \$13,000; in all, \$110,250;

Chilocco, Oklahoma: For six hundred and fifty pupils, including not to exceed \$2,000 for printing and issuing school paper, \$221,000; for pay of superintendent, drayage, and general repairs and improvements, \$25,000; for purchase of printing equipment, \$1,200; in all, \$247,200;

Vocational and trade schools, educational loans; reimbursable.

48 Stat. 986.  
25 U. S. C. § 471.  
Balance continued available.  
50 Stat. 581.  
*Provided*.  
Liberal-arts courses.

Advances, reimbursable.

School buildings.  
Lease, improvement, etc.

Nonreservation boarding schools.  
Support, etc., of designated.

Phoenix, Ariz.

Sherman Institute, Riverside, Calif.

Haskell Institute, Lawrence, Kans.

Pipestone, Minn.

Carson City, Nev.

Albuquerque, N. Mex.

Santa Fe, N. Mex.

Wahpeton, N. Dak.

Chilocco, Okla.

Sequoyah Orphan  
Training School,  
Okla.

Sequoyah Orphan Training School, near Tahlequah, Oklahoma: For three hundred and fifty orphan Indian children of the State of Oklahoma belonging to the restricted class, \$114,250; for pay of superintendent, drayage, and general repairs and improvements, \$14,000; in all, \$128,250;

Carter Seminary,  
Okla.

Carter Seminary, Oklahoma: For one hundred and sixty-five pupils, \$57,525; for pay of principal, drayage, and general repairs and improvements, \$7,000; in all, \$64,525;

Euchee, Okla.

Euchee, Oklahoma: For one hundred and fifteen pupils, \$41,025; for pay of principal, drayage, and general repairs and improvements, \$7,000; in all, \$48,025;

Eufaula, Okla.

Eufaula, Oklahoma: For one hundred and forty pupils, \$48,650; for pay of principal, drayage, and general repairs and improvements, \$7,000; in all, \$55,650;

Jones Academy,  
Okla.

Jones Academy, Oklahoma: For one hundred and seventy-five pupils, \$61,125; for pay of principal, drayage, and general repairs and improvements, \$7,000; in all, \$68,125;

Wheelock Acad-  
emy, Okla.

Wheelock Academy, Oklahoma: For one hundred and thirty pupils, \$45,050; for pay of principal, drayage, and general repairs and improvements, \$7,000; in all, \$52,050;

Chemawa, Salem,  
Oreg.

Chemawa, Salem, Oregon: For four hundred and fifty pupils, including not to exceed \$1,000 for printing and issuing school paper, \$152,250; for local vocational-training program directed from the school, \$10,000; for pay of superintendent, drayage, and general repairs and improvements, \$20,000; in all, \$182,250;

Flandreau, S. Dak.

Flandreau, South Dakota: For four hundred and fifty pupils, \$159,750; for pay of superintendent, drayage, and general repairs and improvements, \$18,000; in all, \$177,750;

Pierre, S. Dak.

Pierre, South Dakota: For three hundred pupils, \$97,750; for pay of superintendent, drayage, and general repairs and improvements, \$18,000; in all, \$115,750;

Total, nonreserva-  
tion boarding  
schools.  
*Proviso.*  
Sums interchange-  
able.

In all, for above-named nonreservation boarding schools, not to exceed \$2,593,825: *Provided*, That 10 per centum of the foregoing amounts shall be available interchangeably for expenditures for similar purposes in the various boarding schools named, but not more than 10 per centum shall be added to the amount appropriated for any one of said boarding schools or for any particular item within any boarding school. Any such interchanges shall be reported to Congress in the annual Budget.

Pupils attending  
public or Indian day  
schools in designated  
nations, etc.

For tuition and for care and other assistance for Indian pupils attending public schools and special Indian day schools in the Cherokee, Creek, Choctaw, Chickasaw, and Seminole Nations and the Quapaw Agency in Oklahoma, \$397,200, to be expended in the discretion of the Secretary of the Interior and under rules and regulations to be prescribed by him: *Provided*, That not to exceed \$21,500 may be expended for the payment of salaries of public-school teachers, employed by the State, county, or district in special Indian day schools in full-blood Indian communities, where there are not adequate white day schools available for their attendance.

*Proviso.*  
Employment of  
public-school teachers  
where facilities inade-  
quate.

Natives in Alaska: To enable the Secretary of the Interior, in his discretion and under his direction, to provide for support and education and relief of destitution of the Eskimos, Aleuts, Indians, and other natives of Alaska, including necessary traveling expenses of pupils to and from boarding schools in Alaska; purchase, repair, and rental of school buildings, including purchase of necessary lands; textbooks and industrial apparatus; pay and necessary traveling expenses of superintendents, teachers, physicians, and other employees; repair, equipment, maintenance, and operation of vessels; and

Alaska natives.  
Support, education,  
relief of destitution,  
etc.

Miscellaneous ex-  
penses.

*Post*, p. 1131.

all other necessary miscellaneous expenses which are not included under the above special heads, \$790,000, to be immediately available and to remain available until June 30, 1940: *Provided*, That a report shall be made to Congress covering expenditures from the amount herein provided for relief of destitution: *Provided further*, That hereafter when appropriations for any fiscal year for the benefit of natives of Alaska under the jurisdiction of the Secretary of the Interior have not been made prior to the 1st day of March preceding the beginning of such fiscal year, the Secretary of the Interior may authorize such officer or officers as may be designated by him to incur obligations for the purchase of materials, supplies, and equipment not to exceed 75 per centum of the amount available for such purposes for the fiscal year then current, payments of these obligations to be made from the appropriations for the new fiscal year when they become available.

*Provisos.*  
Report to Congress.

Authority to incur obligations.

#### CONSERVATION OF HEALTH

For conservation of health among Indians, including equipment, materials, and supplies; repairs and improvements to buildings and plants; compensation and traveling expenses of officers and employees and renting of quarters for them when necessary; transportation of patients and attendants to and from hospitals and sanatoria; returning to their former homes and interring the remains of deceased patients; and not exceeding \$25,000 for clinical surveys and general medical research in connection with tuberculosis, trachoma, and venereal and other disease conditions among Indians, including cooperation with State and other organizations engaged in similar work and payment of traveling expenses and per diem of physicians, nurses, and other persons whose services are donated by such organizations, and including printing and binding circulars and pamphlets for use in preventing and suppressing trachoma and other contagious and infectious diseases, \$5,024,000, including not to exceed \$3,735,320 for the following-named hospitals and sanatoria:

Conservation of health.

Designated expenses.

Suppressing trachoma, etc.

Allotments to specified hospitals.

Arizona: Indian Oasis Hospital, \$27,260; Kayenta Sanatorium, \$52,000; Fort Defiance Sanatorium and Southern Navajo General Hospital, \$268,780; Phoenix Sanatorium, \$107,560; Pima Hospital, \$27,600; Truxton Canyon Hospital, \$14,000; Western Navajo Hospital, \$35,700; Chin Lee Hospital, \$15,000; Fort Apache Hospital, \$29,700; Hopi Hospital, \$40,000; Leupp Hospital, \$27,800; San Carlos Hospital, \$32,300; Tohatchi Hospital, \$17,200; Colorado River Hospital, \$20,000; San Xavier Sanatorium, \$44,200; Phoenix Hospital, \$42,000; Winslow Sanatorium, \$54,960;

Arizona.

California: Hoopa Valley Hospital, \$25,000; Soboba Hospital, \$26,000; Fort Bidwell Hospital, \$25,000; Fort Yuma Hospital, \$22,000;

California.

Colorado: Ute Mountain Hospital, \$15,000; Edward T. Taylor Hospital, \$25,000;

Colorado.

Idaho: Fort Lapwai Sanatorium, \$90,000; Fort Hall Hospitals, \$14,000;

Idaho.

Iowa: Sac and Fox Sanatorium, \$79,000;

Iowa.

Minnesota: Pipestone Hospital, \$22,500; Cass Lake Hospital, \$30,000; Fond du Lac Hospital, \$27,000; Red Lake Hospital, \$22,500; White Earth Hospital, \$22,000;

Minnesota.

Mississippi: Choctaw Hospital, \$26,000;

Mississippi.

Montana: Blackfeet Hospital, \$45,000; Fort Peck Hospital, \$26,400; Crow Hospital, \$34,000; Fort Belknap Hospital, \$30,000; Tongue River Hospital, \$28,000;

Montana.

Nebraska: Winnebago Hospital, \$47,000;

Nebraska.

Nevada.	Nevada: Carson Hospital, \$27,000; Walker River Hospital, \$23,000; Western Shoshone Hospital, \$20,000;
New Mexico.	New Mexico: Albuquerque Sanatorium, \$104,660; Jicarilla Hospital and Sanatorium, \$66,000; Mescalero Hospital, \$23,000; Eastern Navajo Hospital, \$45,000; Northern Navajo Hospital, \$45,000; Taos Hospital, \$20,000; Zuni Hospital, \$35,000; Albuquerque Hospital, \$53,100; Charles H. Burke Hospital, \$26,000; Santa Fe Hospital, \$44,000; Toadlena Hospital, \$12,000;
North Carolina.	North Carolina: Cherokee Hospital, \$24,000;
North Dakota.	North Dakota: Turtle Mountain Hospital, \$41,600; Fort Berthold Hospital, \$18,000; Fort Totten Hospital, \$23,000; Standing Rock Hospital, \$38,000; Fort Totten Preventorium, \$20,000;
Oklahoma.	Oklahoma: Cheyenne and Arapahoe Hospital, \$36,000; Choctaw and Chickasaw Sanatorium and General Hospital, \$195,000; Shawnee Sanatorium, \$100,000; Claremore Hospital, \$76,300; Clinton Hospital, \$22,000; Pawnee and Ponca Hospital, \$36,000; Kiowa Hospital, \$130,000; William W. Hastings Hospital, \$90,000, to be immediately available;
Oregon.	Oregon: Warm Springs Hospital, \$20,000;
South Dakota.	South Dakota: Crow Creek Hospital, \$22,000; Pine Ridge Hospitals, \$52,000; Rosebud Hospital, \$45,000; Yankton Hospital, \$23,000; Cheyenne River Hospital, \$35,000; Sioux Sanatorium, \$130,000, together with the unexpended balance of the amount appropriated for this institution for the fiscal year 1938; Sisseton Hospital, \$35,000;
Utah.	Utah: Uintah Hospital, \$30,000;
Washington.	Washington: Yakima Sanatorium, \$40,000; Tacoma Sanatorium, \$225,000; Tulalip Hospital, \$12,600; Colville Hospital, \$35,000;
Wisconsin.	Wisconsin: Hayward Hospital, \$40,600; Tomah Hospital, \$31,000;
Wyoming.	Wyoming: Wind River Hospital, \$28,000;
<i>Provisos.</i> Sums interchangeable.	<i>Provided</i> , That 10 per centum of the foregoing amounts shall be available interchangeably for expenditures in the various hospitals named, but not more than 10 per centum shall be added to the amount appropriated for any one of said hospitals or for any particular item within any hospital, and any interchange of appropriations hereunder shall be reported to Congress in the annual Budget: <i>Provided further</i> , That nonreservation boarding schools receiving specific appropriations shall contribute on a per diem basis for the hospitalization of pupils in hospitals located at such schools and supported from this appropriation: <i>Provided further</i> , That in the discretion of the Secretary of the Interior and under such rules and regulations as may be prescribed by him, fees may be collected from Indians for medical, hospital, and dental service and any fees so collected shall be covered into the Treasury of the United States.
Report to Congress.	Medical relief in Alaska: To enable the Secretary of the Interior, in his discretion and under his direction through the Bureau of Indian Affairs, with the advice and cooperation of the Public Health Service, to provide for the medical and sanitary relief of the Eskimos, Aleuts, Indians, and other natives of Alaska; purchase, repair, rental, and equipment of hospital buildings; not to exceed \$1,000 for purchase of land; books and surgical apparatus; pay and necessary traveling expenses of physicians, nurses, and other employees, and all other necessary miscellaneous expenses which are not included under the above special heads, \$408,000, to be available immediately and to remain available until June 30, 1940.
Hospitalization of pupils; basis of contribution.	Revolving fund for dental work, Navajo Reservation (tribal funds): For a revolving fund for dental work for the Navajo Indians in Arizona and New Mexico, including personal services, traveling expenses, and the purchase of equipment and supplies, and all other
Fees, professional services.	
Medical relief in Alaska.	
Hospital buildings, etc.	
Availability.	
Navajo Reservation.	
Revolving fund for dental work.	

necessary expenses, \$5,000, payable from Navajo tribal funds: *Provided*, That fees collected for such dental work shall be credited to this appropriation and shall be available for the purposes of this paragraph.

*Proviso.*  
Credit of fees.

#### GENERAL SUPPORT AND ADMINISTRATION

For general support of Indians and administration of Indian property, including pay of employees authorized by continuing or permanent treaty provisions, \$2,675,000: *Provided*, That in the discretion of the Secretary of the Interior, and under such rules and regulations as may be prescribed by him, fees may be collected from individual Indians for services performed for them, and any fees so collected shall be covered into the Treasury of the United States.

General support and administration.

*Proviso.*  
Fees for services.

Reindeer service: For supervision of reindeer in Alaska and instruction in the care and management thereof, including salaries and travel expenses of employees, purchase, rental, erection, and repair of range cabins, purchase and maintenance of communication and other equipment, and all other necessary miscellaneous expenses, including \$3,000 for the purchase and distribution of reindeer, \$35,500, to be immediately available.

Reindeer service, Alaska.

Reindeer industry, Alaska: For a survey and appraisal of the property and reindeer authorized to be acquired for the natives of Alaska under the provisions of the Act approved September 1, 1937 (50 Stat. 900), to be made under the direction and supervision of a committee of three, which is hereby created, to be appointed by the Chairmen of the Committees on Appropriations of the Senate and House of Representatives acting jointly, \$25,000, to be immediately available. Such Chairmen shall fix the pay of the members of the committee and shall designate one to act as chairman. Vacancies occurring in the membership thereof shall be filled in the same manner as the original appointments. The committee is authorized to employ personnel in the District of Columbia and elsewhere without regard to civil service laws and regulations and to fix the compensation thereof without respect to the Classification Act of 1923, as amended, and to make such expenditures as may be necessary for equipment, travel, supplies, materials, printing, binding, rent, the purchase, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles and the hire thereof, and for such other purposes in connection herewith as they may determine essential. In connection with the purposes of this paragraph, such Chairmen may call for the furnishing of assistance from any Federal agency operating in Alaska and such agencies are hereby authorized and directed to respond cooperatively to any such request. Members of the committee and employees thereof shall be allowed per diem in lieu of actual expenses of subsistence when traveling on official business at rates not in excess of those allowable under the provisions of the Standardized Government Travel Regulations and the Subsistence Expense Act of 1926, as amended, and shall be regarded as in a travel status while stationed in Alaska.

Reindeer industry, Alaska, survey and appraisal.  
*Post*, p. 1132.  
50 Stat. 900.  
Supervisory committee created, personnel.

Vacancies.  
Personal services.

Expenditures.

Assistance of Federal agencies.

Per diem, etc., allowances.

44 Stat. 688.  
5 U. S. C. § 821.

Support of Indians, etc., under specified agencies, from tribal funds.

For general support of Indians and administration of Indian property under the jurisdiction of the following agencies, to be paid from the funds held by the United States in trust for the respective tribes, in not to exceed the following sums, respectively:

Arizona: Fort Apache, \$55,000, including the construction of quarters and sanitary facilities near McNary; San Carlos, \$45,700; Truxton Canyon, \$6,500; in all, \$107,200;

Arizona.

California: Mission, \$15,000;

California.

Iowa: Sac and Fox, \$2,000;

Iowa.

Montana: Flathead, \$24,000;

Montana.



Nevada.  
Use of unexpended  
balances.  
50 Stat. 586.

Nevada: Carson, the unexpended balances of the appropriations under this head for the Walker River, Summit Lake, and Pyramid Lake Indians, for the fiscal year 1938 are hereby continued available for the same purposes until June 30, 1939; Western Shoshone, \$3,000;

North Carolina.

North Carolina: Cherokee, \$18,000;

Oregon.  
Tribal council,  
traveling, etc., ex-  
penses.

Oregon: Klamath, \$104,260, of which \$5,000 shall be available only for traveling and other expenses, including not to exceed \$5 per diem in lieu of subsistence, of members of the tribal council, or of representatives of the tribe engaged on business of the tribe at the seat of government, and \$10,000 shall be available for the repair and maintenance of buildings and utilities;

Building repairs,  
etc.

Utah.

Utah: Uintah and Ouray, \$8,100, of which amount not to exceed \$4,000 shall be available for the payment of an agent employed under a contract, approved by the Secretary of the Interior: *Provided*, That \$1,000 of the foregoing amount shall be available to pay obligations incurred during the fiscal year 1937;

*Proviso.*  
Payment of in-  
curred obligations.  
Washington.

Washington: Puyallup, \$1,000 for upkeep of the Puyallup Indian cemetery; Taholah (Neah Bay), \$5,000 (\$4,000 for monthly allowances for care of old and indigent Indians, and \$1,000 for burial expenses); Yakima, \$250; Tulalip, \$1,000; in all, \$7,250;

Wisconsin.

Wisconsin: Keshena, \$90,000, including \$20,000 for monthly allowances, under such rules and regulations as the Secretary of the Interior may prescribe, to old and indigent members of the Menominee Tribe who reside with relatives or friends, \$6,000 for fees and expenses of attorneys employed under contract, approved by the Secretary of the Interior, and \$12,500 for the construction of a jail;

Attorneys' fees, etc.

In all, not to exceed \$378,810.

Chippewas in Min-  
nesota.  
Use of tribal funds  
for aid in school at-  
tendance.

Relief of Chippewa Indians in Minnesota (tribal funds): Not to exceed \$40,000 of the principal sum on deposit to the credit of the Chippewa Indians of Minnesota, arising under section 7 of the Act entitled "An Act for the relief and civilization of the Chippewa Indians in the State of Minnesota", approved January 14, 1889 (25 Stat. 645), may be expended, in the discretion of the Secretary of the Interior, in aiding indigent Chippewa Indians including boarding-home care of pupils attending public or high schools.

25 Stat. 645.

Relief of needy In-  
dians.

Relief of needy Indians: For the relief of Indians in need of assistance, including cash grants; the purchase of subsistence supplies, clothing, and household goods; medical, burial, housing, transportation, and all other necessary expenses, \$100,000, payable from funds on deposit to the credit of the particular tribe concerned: *Provided*, That expenditures hereunder may be made without regard to section 3709, United States Revised Statutes, or to the Act of May 27, 1930 (46 Stat. 391), as amended.

*Proviso.*  
Expenditures.  
R. S. § 3709.  
41 U. S. C. § 5.  
46 Stat. 391.  
18 U. S. C. § 744a.  
Attorneys.

For compensation and expenses of an attorney or attorneys employed by the Chippewa Tribe under a contract, approved by the Secretary of the Interior on April 15, 1937, \$8,000, payable from the principal sum on deposit to the credit of the Chippewa Indians of Minnesota, arising under section 7 of the Act entitled "An Act for the relief and civilization of the Chippewa Indians in the State of Minnesota", approved January 14, 1889 (25 Stat. 645).

25 Stat. 645.

Five Civilized  
Tribes, Okla.  
Expenses of tribal  
officers, from tribal  
funds.

Expenses of tribal officers, Five Civilized Tribes, Oklahoma (tribal funds): For the current fiscal year money may be expended from the tribal funds of the Choctaw, Chickasaw, Creek, and Seminole Tribes for equalization of allotments, per capita, and other payments authorized by law to individual members of the respective tribes, salaries and contingent expenses of the governor of the Chickasaw Nation and chief of the Choctaw Nation, one mining trustee for the Choctaw and Chickasaw Nations, at salaries at the rate heretofore paid for the said

governor and said chief and \$3,000 for the said mining trustee, chief of the Creek Nation at \$600 and one attorney each for the Choctaw and Chickasaw Tribes employed under contract approved by the President under existing law: *Provided*, That the expenses of the above-named officials shall be determined and limited by the Commissioner of Indian Affairs at not to exceed \$2,500 each.

*Proviso.*  
Limitation on ex-  
penses.

Support of Osage Agency and pay of tribal officers, Oklahoma (tribal funds): For the support of the Osage Agency, and for necessary expenses in connection with oil and gas production on the Osage Reservation, Oklahoma, including pay of necessary employees, the tribal attorney and his stenographer, one special attorney in tax and other matters, and pay of tribal officers; payment of damages to individual allottees; repairs to buildings, rent of quarters for employees, traveling expenses, printing, telegraphing, and telephoning, and purchase, repair, and operation of automobiles, \$189,680, payable from funds held by the United States in trust for the Osage Tribe of Indians in Oklahoma: *Provided*, That not more than \$1,800 may be used for the employment of a curator for the Osage Museum, which employee shall be an Osage Indian and shall be appointed without regard to civil-service laws and regulations upon the recommendation of the Osage tribal council: *Provided further*, That this appropriation shall be available, for traveling and other expenses, including not to exceed \$5 per diem in lieu of subsistence, and not to exceed 5 cents per mile for use of personally owned automobiles, of members of the tribal council and other members of the tribe, when engaged on tribal business, including visits to the District of Columbia when duly authorized or approved in advance by the Commissioner of Indian Affairs.

Osage Agency,  
Okla.  
Agency, etc., ex-  
penses.

*Provisos.*  
Employment of cu-  
rator for Museum.

Travel, etc.

For the acquisition of additional lands, and improvements thereon, adjacent to the Council House of the Choctaw Indians, Tuskahoma, Oklahoma, and for the further improvement of the Council House, and for the construction of improvements on newly acquired land, \$50,000, payable from funds on deposit to the credit of the Choctaw Indians of Oklahoma.

Tuskahoma Coun-  
cil House, Okla., ad-  
ditional lands, etc.

Expenses of tribal councils or committees thereof (tribal funds): For traveling and other expenses of members of tribal councils, business committees, or other tribal organizations, when engaged on business of the tribes, including supplies and equipment, not to exceed \$5 per diem in lieu of subsistence, and not to exceed five cents per mile for use of personally owned automobiles, and including not more than \$25,000 for visits to Washington, District of Columbia, when duly authorized or approved in advance by the Commissioner of Indian Affairs, \$50,000, payable from funds on deposit to the credit of the particular tribe interested: *Provided*, That, except for the Navajo Tribe, not more than \$5,000 shall be expended from the funds of any one tribe or band of Indians for the purposes herein specified: *Provided further*, That no part of this appropriation shall be available for expenses of members of tribal councils, business committees, or other tribal organizations, when in Washington, for more than a thirty-day period, unless the Secretary of the Interior shall in writing approve a longer period: *Provided further*, That hereafter tribal funds shall be available for appropriation by Congress for traveling and other expenses, including supplies and equipment, of members of tribal councils, business committees, or other tribal organizations, when engaged on business of the tribes.

Tribal councils,  
traveling, etc., ex-  
penses.

Supplies and equip-  
ment.

Visits to Washing-  
ton, D. C.

*Provisos.*  
Limitation on ex-  
penditures.

Allowances for ex-  
penses when in Wash-  
ington.

Availability of  
funds for traveling,  
etc., expenses.

Expenses for attorneys of record representing the Choctaw and Chickasaw Nations in cases pending before the Court of Claims \$5,000, one-half of said sum to be paid out of funds to the credit of said Choctaw Nation and one-half to be paid out of funds to the

Choctaws and  
Chickasaws, attor-  
neys.

*Proviso.*  
Payments within  
Secretary's discretion.

Roads and bridges.

Gallup-Shiprock  
Highway, N. Mex.,  
maintenance, etc.  
*Proviso.*  
Indian labor.

Reservation roads,  
construction, etc.  
45 Stat. 750; 49  
Stat. 1521.  
25 U. S. C. § 318a;  
Supp. III, § 318b.  
Post, p. 1133.  
*Proviso.*  
Services in the Dis-  
trict.  
Structures for hous-  
ing materials, etc.

Construction and  
repair.

School, agency, hos-  
pital, etc., buildings.

Alaska.

Blackfeet, Mont.

Carson, Nev.

Cheyenne and  
Arapahoe, Okla.  
Cheyenne River, S.  
Dak.

Chilocco, Okla.

Choctaw, Miss.

Colorado River,  
Ariz.

Colville, Wash.

Consolidated Chip-  
pewa, Minn.

Consolidated Ute,  
Colo.

Five Civilized  
Tribes, Okla.

Flandreau, S. Dak.

Flathead, Mont.

Fort Apache, Ariz.

Fort Belknap,  
Mont.

Fort Berthold, N.  
Dak.

Fort Hall, Idaho.

credit of the Chickasaw Nation: *Provided*, That all payments from said appropriation shall be within the discretion of the Secretary of the Interior.

#### ROADS AND BRIDGES

For maintenance and repair of that portion of the Gallup-Shiprock Highway within the Navajo Reservation, New Mexico, including the purchase of machinery, \$20,000, reimbursable: *Provided*, That other than for supervision and engineering only Indian labor shall be employed for such maintenance and repair work.

For construction, improvement, repair, and maintenance of Indian reservation roads under the provisions of the Acts of May 26, 1928 (25 U. S. C. 318a), and June 16, 1936 (49 Stat. 1521), \$1,000,000, to be immediately available and to remain available until expended: *Provided*, That not to exceed \$11,200 of the foregoing amount may be expended for personal services in the District of Columbia: *Provided further*, That not to exceed \$100,000 of this appropriation shall be available for purchase, lease, construction or repair of structures for housing road materials, supplies and equipment; and for quarters for road crews but the cost of any structure erected hereunder shall not exceed \$7,500.

#### CONSTRUCTION AND REPAIR

For the construction, repair, or rehabilitation of school, agency, hospital, or other buildings and utilities, including the purchase of land and the acquisition of easements or rights-of-way when necessary, and including the purchase of furniture, furnishings, and equipment, as follows:

Alaska: Day schools and quarters, including remodeling of existing buildings, \$90,000; hospitals and quarters, \$160,000;

Blackfeet, Montana: Improvement of water supply, \$20,000;

Carson, Nevada: Addition to office, \$15,000;

Cheyenne and Arapahoe, Oklahoma: Office building, \$25,000;

Cheyenne River, South Dakota: Day school facilities, \$25,000; hospital repairs, \$14,500; improvements to water system, \$7,500;

Chilocco, Oklahoma: Central heating plant, and rehabilitation of distribution lines, \$187,000;

Choctaw, Mississippi: General repairs and construction of one cottage, \$7,000;

Colorado River, Arizona: Improvement of water and sewer systems (Yuma), \$30,000;

Colville, Washington: Reroofing buildings and general repairs, \$10,500; two dwellings, \$15,000;

Consolidated Chippewa, Minnesota: Nurses' home (Cass Lake), \$20,000;

Consolidated Ute, Colorado: Miscellaneous small structures, \$12,500;

Five Civilized Tribes, Oklahoma: Quarters for school employees, \$15,000; infirmary and quarters, Jones Academy, \$15,000;

Flandreau, South Dakota: Improvement of electrical distribution system, \$10,000;

Flathead, Montana: Improvement of water system, \$19,000;

Fort Apache, Arizona: For improving dining room and kitchen facilities, Theodore Roosevelt School, \$20,000;

Fort Belknap, Montana: Elevator, hospital, \$9,000;

Fort Berthold, North Dakota: Jail, \$10,000; quarters for employees, \$25,000;

Fort Hall, Idaho: Improvements to sewer and water systems, \$25,000;

Fort Totten, North Dakota: Improvements to heating and lighting systems, \$24,000;

Fort Totten, N. Dak.

Jicarilla, New Mexico: Improvements to water system, \$20,000; dormitory facilities, \$75,000; dairy barn, \$15,000;

Jicarilla, N. Mex.

Kiowa, Oklahoma: Riverside, dormitory facilities, \$75,000; Fort Sill, one physicians' cottage, \$7,500; dormitory facilities (school), \$75,000;

Kiowa, Okla.

Mescalero, New Mexico: Office building, \$25,000;

Mescalero, N. Mex.

Navajo, Arizona: Fort Defiance, for an additional amount for central heating and power plant, \$42,000; jail (Fort Defiance), \$15,000; improvements to heating system (Tuba City), \$32,000; improvements to water system (Crown Point), \$15,000;

Navajo, Ariz.

Phoenix School, Arizona: Improvements to utilities, \$30,000;

Phoenix School, Ariz.

Pine Ridge, South Dakota: Improvement of sewer and water systems, \$6,500; quarters, \$12,000;

Pine Ridge, S. Dak.

Pueblos of New Mexico: Improvements to heating plant (Santa Fe), \$10,000;

Pueblos of New Mexico.

Red Lake, Minnesota: Remodeling office, \$8,500;

Red Lake, Minn.

Rosebud, South Dakota: Residence, physician (Yankton), \$8,500; nurses' home (Yankton), \$20,000; improvements to power system, \$15,000; and not to exceed \$5,000 of the appropriation of \$20,000 for the improvement of the sewer system, contained in the Interior Department Appropriation Act, fiscal year 1938, is hereby made available for improvements to the water system;

Rosebud, S. Dak.

50 Stat. 590.

Sacramento, California: Improvements to sewer system (Fort Bidwell Hospital), \$5,000;

Sacramento, Calif.

Sequoyah School, Oklahoma: Improvements to power lines, \$5,000;

Sequoyah School, Okla.

Shawnee Sanatorium, Oklahoma: General repairs and improvements, \$35,000;

Shawnee Sanatorium, Okla.

Shoshone, Wyoming: Remodeling office, \$9,500; improvements to sewer systems, \$10,000;

Shoshone, Wyo.

Tacoma Sanatorium, Washington: Improvement of heating system, \$25,000;

Tacoma Sanatorium, Wash.

Tongue River, Montana: Improvements to sewer system, \$7,000;

Tongue River, Mont.

Truxton Canyon, Arizona: Day school facilities, \$35,000;

Truxton Canyon, Ariz.

Turtle Mountain, North Dakota: Day school facilities, \$62,500; quarters for hospital attendants, \$15,000; improvements to sewer system, \$4,500;

Turtle Mountain, N. Dak.

Uintah and Ouray, Utah: Improvements to water and power systems, \$38,000;

Uintah and Ouray, Utah.

Umatilla, Oregon: General repairs, \$10,000;

Umatilla, Ore.

Warm Springs, Oregon: Nurses' home, \$20,000; improvements to power system, \$8,000;

Warm Springs, Ore.

Western Shoshone, Nevada: One dwelling, \$8,500; nurses' home, \$20,000; improvements to water system, \$12,500;

Western Shoshone, Nev.

Winnebago, Nebraska: Warehouse, \$9,000;

Winnebago, Nebr.

Yakima, Washington: Enlarging sanatorium, \$8,500;

Yakima, Wash.

For administrative expenses, including personal services in the District of Columbia and elsewhere; not to exceed \$2,500 for printing and binding; purchase of periodicals, directories, and books of reference; purchase and operation of motor-propelled passenger-carrying vehicles; traveling expenses of employees; rent of office and storage space; telegraph and telephone tolls; and all other necessary expenses not specifically authorized herein, \$204,000; in all, \$1,870,000, to be immediately available and to remain available until June 30, 1940: *Provided*, That not to exceed 5 per centum of the amount of any specific authorization may be transferred, in the discretion of the Commissioner of Indian Affairs, to the amount of any other specific authorization, but no limitation shall be increased more than 10 per centum by any such transfer.

Administrative expenses.

*Proviso.*  
Transfers of  
amounts; limitation.

# Annuities and per capita payments.

Senecas, N. Y.  
4 Stat. 442.

Six Nations, N. Y.  
7 Stat. 46.

Choctaws, Okla.  
7 Stat. 99, 212, 213,  
236; 11 Stat. 614.

Pawnees, Okla.  
11 Stat. 729; 27  
Stat. 644.

Indians of Sioux  
reservations.  
25 Stat. 895.

Interest on trust  
funds.

Western Cherokees.  
Funds made avail-  
able for payment of  
claims.  
28 Stat. 451; 45  
Stat. 1164.

Central warehouses,  
etc.  
Availability of  
funds for purchase,  
distribution, etc., of  
supplies from.

Traveling expenses,  
new appointees, from  
Seattle to Alaska.

Bureau of Reclama-  
tion.

Sums appropriated  
from reclamation  
fund; availability.  
32 Stat. 388.  
43 U. S. C. §§ 391,  
411.

Salaries and ex-  
penses.

## ANNUITIES AND PER CAPITA PAYMENTS

For fulfilling treaties with Senecas of New York: For permanent annuity in lieu of interest on stock (Act of February 19, 1831, 4 Stat. 442), \$6,000.

For fulfilling treaties with Six Nations of New York: For permanent annuity, in clothing and other useful articles (article 6, treaty of November 11, 1794), \$4,500.

For fulfilling treaties with Choctaws, Oklahoma: For permanent annuity (article 2, treaty of November 16, 1805, and article 13, treaty of June 22, 1855), \$3,000; for permanent annuity for support for light horsemen (article 13, treaty of October 18, 1820, and article 13, treaty of June 22, 1855), \$600; for permanent annuity for support of blacksmith (article 6, treaty of October 18, 1820, and article 9, treaty of January 20, 1825, and article 13, treaty of June 22, 1855), \$600; for permanent annuity for education (article 2, treaty of January 20, 1825, and article 13, treaty of June 22, 1855), \$6,000; for permanent annuity for iron and steel (article 9, treaty of January 20, 1825, and article 13, treaty of June 22, 1855), \$320; in all, \$10,520.

For fulfilling treaties with Pawnees, Oklahoma: For permanent annuity (article 2, treaty of September 24, 1857, and article 3, agreement of November 23, 1892), \$30,000.

For payment of Sioux benefits to Indians of the Sioux reservations, as authorized by the Act of March 2, 1889 (25 Stat. 895), as amended, \$160,000.

For payment of interest on moneys held in trust for the several Indian tribes, as authorized by various Acts of Congress, \$525,000.

The unpaid balance of \$262.18 of the fund appropriated by the Act of August 23, 1894 (28 Stat. 451), to pay the judgment of the Court of Claims in favor of the Western Cherokees, and turned into the Treasury of the United States pursuant to the Act of February 12, 1929 (45 Stat. 1164), is hereby appropriated and restored on the books of the Treasury to the credit of the Western Cherokees and shall be available for disbursement for their benefit by the Secretary of the Interior.

Appropriations herein made for the support of Indians and administration of Indian property, the support of schools, including non-reservation boarding schools and for conservation of health among Indians shall be available for the purchase of supplies, materials, and repair parts, for storage in and distribution from central warehouses, garages, and shops, and for the maintenance and operation of such warehouses, garages, and shops, and said appropriations shall be reimbursed for services rendered or supplies furnished by such warehouses, garages, or shops to any activity of the Indian Service.

The appropriations available for expenditure for the benefit of the natives of Alaska may be used for the payment of traveling expenses of new appointees from Seattle, Washington, to their posts of duty in Alaska, and of traveling expenses, packing, crating, and transportation (including drayage) of personal effects of employees upon permanent change of station within Alaska, under regulations to be prescribed by the Secretary of the Interior.

## BUREAU OF RECLAMATION

The following sums are appropriated out of the special fund in the Treasury of the United States created by the Act of June 17, 1902 (43 U. S. C. 391, 411), and therein designated "the reclamation fund", to be available immediately:

Salaries and expenses: For the Commissioner of Reclamation and other personal services in the District of Columbia, \$115,000; for

travel and other necessary expenses, \$35,000, including not to exceed \$15,000 for printing and binding; in all, \$150,000;

Administrative provisions and limitations: For all expenditures authorized by the Act of June 17, 1902, and Acts amendatory thereof or supplementary thereto, known as the reclamation law, and all other Acts under which expenditures from said fund are authorized, including not to exceed \$100,000 for personal services and \$15,000 for other expenses in the office of the chief engineer, \$20,000 for telegraph, telephone, and other communication service, \$5,000 for photographing and making photographic prints, \$41,250 for personal services, and \$7,500 for other expenses in the field legal offices; examination of estimates for appropriations in the field; refunds of overcollections and deposits for other purposes; not to exceed \$15,000 for lithographing, engraving, printing, and binding; purchase of ice; purchase of rubber boots for official use by employees; maintenance and operation of horse-drawn and motor-propelled passenger vehicles; not to exceed \$20,000 for purchase and exchange of horse-drawn and motor-propelled passenger-carrying vehicles; packing, crating, and transportation (including drayage) of personal effects of employees upon permanent change of station, under regulations to be prescribed by the Secretary of the Interior; payment of damages caused to the owners of lands or other private property of any kind by reason of the operations of the United States, its officers or employees, in the survey, construction, operation, or maintenance of irrigation works; payment for official telephone service in the field hereafter incurred in case of official telephones installed in private houses when authorized under regulations established by the Secretary of the Interior; not to exceed \$1,000 for expenses, except membership fees, of attendance, when authorized by the Secretary, upon meetings of technical and professional societies required in connection with official work of the Bureau; payment of rewards, when specifically authorized by the Secretary of the Interior, for information leading to the apprehension and conviction of persons found guilty of the theft, damage, or destruction of public property: *Provided*, That no part of any sum provided for in this Act for operation and maintenance of any project or division of a project by the Bureau of Reclamation shall be used for the irrigation of any lands within the boundaries of an irrigation district which has contracted with the Bureau of Reclamation and which is in arrears for more than twelve months in the payment of any charges due the United States, and no part of any sum provided for in this Act for such purpose shall be used for the irrigation of any lands which have contracted with the Bureau of Reclamation and which are in arrears for more than twelve months in the payment of any charges due from said lands to the United States;

Examination and inspection of projects and operation and maintenance of reserved works: For examination of accounts and inspection of the works of various projects and divisions of projects operated and maintained by irrigation districts or water users' associations, and bookkeeping, accounting, clerical, legal, and other expenses incurred in accordance with contract provisions for the repayment of such expenses by the districts or associations; and for operation and maintenance of the reserved works of a project or division of a project when irrigation districts, water users' associations, or Warren Act contractors have contracted to pay in advance but have failed to pay their proportionate share of the cost of such operation and maintenance, to be expended under regulations to be prescribed by the Secretary of the Interior, \$10,000;

Printing and binding.

Administrative provisions and limitations.  
32 Stat. 388.  
43 U. S. C. § 391.

Vehicles.

Property damages.

Attendance at meetings, etc.

*Proviso.*  
Restriction where district is in arrears.

Examination and inspection of projects.

Maintenance, etc., of reserved works.

Yuma project, Ariz.-Calif.  
*Proviso.*  
Operation of commercial system.

Boise, Idaho.

Minidoka, Idaho.

*Proviso.*  
Operation of commercial system.  
South side division, construction.

North Platte, Nebr.-Wyo.

Operation of commercial system.  
Payment to Farmers' district for water.

43 Stat. 703.  
43 U. S. C. § 501.

Rio Grande, N. Mex.-Tex.

Owyhee, Oreg.

Klamath, Oreg.-Calif.

*Proviso.*  
Revenues from Tule Lake division.

Yakima, Wash.

*Proviso.*  
Operation of power system.

Riverton, Wyo.

*Proviso.*  
Operation of commercial system.

Shoshone, Wyo.

*Proviso.*  
Operation of commercial system.

Secondary and economic investigations.

*Provisos.*  
Expenditures considered supplementary; accounting.

Investigations; division of expenses.

Yuma project, Arizona-California: For operation and maintenance, \$70,000: *Provided*, That not to exceed \$25,000 from the power revenues shall be available during the fiscal year 1939 for the operation and maintenance of the commercial system;

Boise project, Idaho: For operation and maintenance, \$30,000;

Minidoka project, Idaho: For operation and maintenance, reserved works, \$11,600: *Provided*, That not to exceed \$50,000 from the power revenues shall be available during the fiscal year 1939 for the operation of the commercial system; and not to exceed \$100,000 from power revenues shall be available during the fiscal year 1939 for continuation of construction, south side division;

North Platte project, Nebraska-Wyoming: Not to exceed \$60,000 from the power revenues shall be available during the fiscal year 1939, for the operation and maintenance of the commercial system; and not to exceed \$6,000 from power revenues allocated to the Northport irrigation district under subsection I, section 4, of the Act of December 5, 1924 (43 U. S. C. 501), shall be available during the fiscal year 1939 for payment on behalf of the Northport irrigation district, to the Farmers' irrigation district for carriage of water; and not to exceed \$50,000 from power revenues shall be available for betterments and additions to the power system;

Rio Grande project, New Mexico-Texas: For operation and maintenance, \$25,000;

Owyhee project, Oregon: For operation and maintenance, \$100,000;

Klamath project, Oregon-California: For operation and maintenance, \$58,000: *Provided*, That revenues received from the lease of marginal lands, Tule Lake division, shall be available for refunds to the lessees in such cases where it becomes necessary to make refunds because of flooding or other reasons within the terms of such leases;

Yakima project, Washington: For operation and maintenance, \$265,000: *Provided*, That not to exceed \$25,000 from power revenues shall be available during the fiscal year 1939 for operation and maintenance of the power system;

Riverton project, Wyoming: For operation and maintenance, \$40,000: *Provided*, That not to exceed \$25,000 from the power revenues shall be available during the fiscal year 1939 for the operation and maintenance of the commercial system;

Shoshone project, Wyoming: For operation and maintenance, Willwood division, \$15,000: *Provided*, That not to exceed \$25,000 from power revenues shall be available during the fiscal year 1939 for the operation and maintenance of the commercial system;

Secondary and economic investigations: For cooperative and general investigations, including investigations necessary to determine the economic conditions and financial feasibility of projects and investigations and other activities relating to the reorganization, settlement of lands, and financial adjustments of existing projects, including examination of soils, classification of land, land-settlement activities, including advertising in newspapers and other publications, and obtaining general economic and settlement data, \$25,000, together with the unexpended balance of the appropriation for these purposes for the fiscal year 1938: *Provided*, That the expenditures from this appropriation for any reclamation project shall be considered as supplementary to the appropriation for that project and shall be accounted for and returned to the reclamation fund as other expenditures under the Reclamation Act: *Provided further*, That the expenditure of any sums from this appropriation for investigations of any nature requested by States, municipalities, or other interests shall be upon the basis of the State, municipality, or other interest advancing at least 50 per centum of the estimated cost of such investigation;

**Operation and maintenance administration:** For necessary pay of employees, traveling and other expenses incident to the general administration of reclamation projects, either operated and maintained by the Bureau or transferred to water users' organizations for operation and maintenance, including giving information and advice to settlers on reclamation projects in the selection of lands, equipment, and livestock, the preparation of land for irrigation, the selection of crops, methods of irrigation and agricultural practice, and general farm management, the cost of which shall be charged to the general reclamation fund and shall not be charged as a part of the construction or operation and maintenance cost payable by the water users under the projects, \$15,000;

Operation and maintenance administration.

Information to settlers.

**Limitation of expenditures:** Under the provisions of this Act no greater sum shall be expended, nor shall the United States be obligated to expend during the fiscal year 1939, on any reclamation project appropriated for herein, an amount in excess of the sum herein appropriated therefor, nor shall the whole expenditures or obligations incurred for all of such projects for the fiscal year 1939 exceed the whole amount in the reclamation fund for the fiscal year;

Limitation of expenditures.

**Interchange of appropriations:** Ten per centum of the foregoing amounts shall be available interchangeably for expenditures on the reclamation projects named; but not more than 10 per centum shall be added to the amount appropriated for any one of said projects, except that should existing works or the water supply for lands under cultivation be endangered by floods or other unusual conditions, an amount sufficient to make necessary emergency repairs shall become available for expenditure by further transfer of appropriation from any of said projects upon approval of the Secretary of the Interior;

Interchange of appropriations.

Emergency flood repairs.

**Construction:** For continuation of construction of the following projects in not to exceed the following amounts, respectively, to be expended from the Reclamation Fund under the same general conditions and in the same manner and for the same objects of expenditure as specified for projects hereinbefore in this Act under the caption "Bureau of Reclamation", and to be reimbursable under the reclamation law:

Construction of designated projects.

Gila project, Arizona, \$900,000;

Gila, Ariz.

The Secretary of the Interior is authorized to furnish water for the use of the Arizona State Experiment Farm, embracing the west half southwest quarter of section 28, township 9 south, range 23 west, Gila and Salt River meridian, together with such areas as may be added thereto, the cost, not exceeding \$750 annually, to be paid from the appropriations for the Gila project;

Arizona State Experiment Farm, furnishing water.

Salt River project, Arizona, \$200,000;

Salt River, Ariz.

Colorado-Big Thompson project, Colorado, \$1,250,000: *Provided*, That not less than \$600,000 of the sum hereby appropriated shall be expended in the construction of the Green Mountain Reservoir in accordance with the plans set forth in Senate Document Numbered 80 of the Seventy-fifth Congress, and that construction of said reservoir shall be commenced at or before the time of beginning the construction of the tunnel described in said Senate Document Numbered 80;

Colorado-Big Thompson, Colo. *Proviso.* Construction of Green Mountain Reservoir.

Boise project, Idaho, Payette division, \$500,000; Twin Springs Dam and Snake River pumping plant, \$750,000;

Boise, Payette division, Idaho.

Minidoka project, Idaho, \$400,000;

Minidoka, Idaho.

Upper Snake River storage project, Idaho, \$250,000;

Upper Snake River storage, Idaho.

Sun River project, Montana, \$300,000;

Sun River, Mont.

Carlsbad project, New Mexico, \$100,000;

Carlsbad, N. Mex.

Rio Grande project, New Mexico-Texas, \$500,000;

Rio Grande, N. Mex.-Tex.

Deschutes project, Oregon, \$300,000;

Deschutes, Oreg.

Owyhee project, Oregon, \$310,000;

Owyhee, Oreg.



Belle Fourche, S.  
Dak.

50 Stat. 595.

Ogden River, Utah.  
Provo River, Utah.  
Yakima, Roza di-  
vision, Wash.  
Kendrick, Wyo.  
Riverton, Wyo.  
Shoshone, Wyo.

Administrative ex-  
penses.  
Services in the Dis-  
trict.

*Proviso.*  
Services in the Dis-  
trict, limitation.

Bureau of Reclama-  
tion, Construction.  
Funds to remain  
available.  
50 Stat. 592.

Public Works Ad-  
ministration.  
Allotments, etc.,  
continued available.  
48 Stat. 195.

49 Stat. 115; 50 Stat.  
363.

Increase in Recla-  
mation Fund.  
Credit of funds ac-  
cruing during period  
specified, naval pe-  
troleum reserves.  
32 Stat. 388.  
43 U. S. C. § 391.

Advances.

36 Stat. 835.  
43 U. S. C. § 397.

46 Stat. 1507.  
43 U. S. C. § 391a.  
Transaction herein  
provided deemed com-  
plete reimbursement.

Receipts covered  
into Treasury; excep-  
tion.

Belle Fourche project, South Dakota: Not to exceed \$30,000 of the appropriation for this project for continuation of construction, contained in the Interior Department Appropriation Act for the fiscal year 1938, is hereby reappropriated and made available until June 30, 1939, for providing ways and means of increasing the water supply for project lands under the Johnson lateral;

Ogden River project, Utah, \$100,000;

Provo River project, Utah, \$350,000;

Yakima project, Washington, Roza division, \$1,000,000;

Kendrick project, Wyoming, \$1,000,000;

Riverton project, Wyoming, \$100,000;

Shoshone project, Wyoming: Heart Mountain division, \$700,000;

For administrative expenses on account of the above projects, including personal services and other expenses in the District of Columbia and in the field, \$750,000, in addition to and for the same objects of expenditure as are hereinbefore enumerated in paragraphs 2 and 3 under the caption "Bureau of Reclamation"; in all, \$9,760,000: *Provided*, That of this amount not to exceed \$75,000 may be expended for personal services in the District of Columbia.

The unexpended balances of the amounts appropriated from the reclamation fund, special fund, under the caption "Bureau of Reclamation, Construction", in the Interior Department Appropriation Act, fiscal year 1938, shall remain available for the same purposes for the fiscal year 1939.

The Public Works Administration allotments made available to the Department of the Interior, Bureau of Reclamation, pursuant to the National Industrial Recovery Act of June 16, 1933, either by direct allotments or by transfer of allotments originally made to another Department or agency, and the allocations made to the Department of the Interior, Bureau of Reclamation, from the appropriation contained in the Emergency Relief Appropriation Act of 1935 and the Emergency Relief Appropriation Act of 1937, shall remain available for the purposes for which allotted during the fiscal year 1939.

**Increase in the Reclamation Fund:** The Secretary of the Treasury is authorized and directed to transfer to the credit of the reclamation fund, created by the Act of June 17, 1902 (32 Stat. 388), a sum equal to the difference between (1) 52½ percentum of the moneys which the Secretary of the Treasury shall determine to have accrued to the United States from lands within the naval petroleum reserves, except those in Alaska, from February 25, 1920, to June 30, 1938, inclusive, and (2) the total of all sums advanced to the reclamation fund under the provisions of the Act entitled "An Act to authorize advances to the reclamation fund, and for the issue and disposal of certificates of indebtedness in reimbursement therefor, and for other purposes", approved June 25, 1910 (36 Stat. 835), as amended, and under the provisions of the Act entitled "An Act to authorize advances to the reclamation fund, and for other purposes", approved March 3, 1931 (46 Stat. 1507), as amended, and not reimbursed by transfer from the reclamation fund to the general funds in the Treasury. The transaction provided for in this section shall be deemed to have effected a complete reimbursement to the general funds in the Treasury of all sums advanced to the reclamation fund under the provisions of such Acts of June 25, 1910, and March 3, 1931, as amended.

All moneys received by the United States in connection with any irrigation projects, including the incidental power features thereof, constructed by the Secretary of the Interior through the Bureau of Reclamation, and financed in whole or in part with moneys heretofore or hereafter appropriated or allocated therefor by the Federal Gov-

ernment, shall be covered into the reclamation fund, except in cases where provision has been made by law or contract for the use of such revenues for the benefit of users of water from such project: *Provided*, That after the net revenues derived from the sale of power developed in connection with any of said projects shall have repaid those construction costs of such project allocated to power to be repaid by power revenues therefrom and shall no longer be required to meet the contractual obligations of the United States, then said net revenues derived from the sale of power developed in connection with such project shall, after the close of each fiscal year, be transferred to and covered into the General Treasury as "miscellaneous receipts": *Provided further*, That nothing in this section shall be construed to amend the Boulder Canyon Project Act (45 Stat. 1057), as amended, or to apply to irrigation projects of the Office of Indian Affairs.

Total, from reclamation fund, \$10,574,600.

To defray the cost of operating and maintaining the Colorado River front work and levee system adjacent to the Yuma Federal irrigation project in Arizona and California, subject only to section 4 of the Act entitled "An Act authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes", approved January 21, 1927 (44 Stat. 1010), \$15,000, together with the unexpended balance of the appropriation for the fiscal year 1938.

Boulder Canyon project: For the continuation of construction of the Boulder Canyon Dam and incidental works in the main stream of the Colorado River at Black Canyon, to create a storage reservoir, and of a complete plant and incidental structures suitable for the fullest economic development of electrical energy from the water discharged from such reservoir; to acquire by proceedings in eminent domain, or otherwise, all lands, rights-of-way, and other property necessary for such purposes; and for incidental operations, as authorized by the Boulder Canyon Project Act, approved December 21, 1928 (43 U. S. C., ch. 12A); \$3,500,000, to be immediately available and to remain available until advanced to the Colorado River Dam fund; and there shall also be available from power and other revenues not to exceed \$500,000 for operation and maintenance of the Boulder Canyon Dam, power plant, and other facilities; which amounts of \$3,500,000 and \$500,000 shall be available for personal services in the District of Columbia (not to exceed \$25,000) and in the field and for all other objects of expenditure that are specified for projects hereinbefore included in this Act, under the caption "Bureau of Reclamation, Administrative provisions and limitations", without regard to the amounts of the limitations therein set forth.

Boulder Canyon project (All-American Canal): For continuation of construction of a diversion dam, and main canal (and appurtenant structures) located entirely within the United States connecting the diversion dam with the Imperial and Coachella Valleys in California; to acquire by proceedings in eminent domain, or otherwise, all lands, rights-of-way, and other property necessary for such purposes; and for incidental operations, as authorized by the Boulder Canyon Project Act, approved December 21, 1928 (43 U. S. C., ch. 12A); to be immediately available and to remain available until advanced to the Colorado River Dam Fund, \$500,000, which amount shall be available for personal services in the District of Columbia (not to exceed \$5,000) and in the field and for all other objects of expenditure that are specified for projects hereinbefore included in this Act under the caption "Bureau of Reclamation, Administrative provisions and limitations", without regard to the amounts of the limitations therein set forth.

*Provisos.*  
Disposition of net revenues from sale of power.

Boulder Canyon project not affected.  
45 Stat. 1057.

Colorado River front work and levee system.

44 Stat. 1010.  
Unexpended balance reappropriated.

Boulder Canyon project.  
Construction, etc.  
49 Stat. 1784.

Acquisition of lands, etc.

45 Stat. 1057.  
43 U. S. C., ch. 12A.  
Availability.

Boulder Canyon project (All-American Canal).  
Construction, etc.

Acquisition of lands.

45 Stat. 1057.  
43 U. S. C., ch. 12A.

## GENERAL FUND, CONSTRUCTION

General fund, construction of designated projects, etc., reimbursement.

Central Valley, Calif.  
Funds reappropriated.  
50 Stat. 597.

Authorized uses of funds.

Colorado River, Tex.  
Marshall Ford Dam.  
Grand Coulee Dam, Wash.  
Balance reappropriated.  
50 Stat. 597.

*Proviso.*  
Surveys, etc.  
50 Stat. 208.

Cooperative investigations.  
"Dust Bowl."  
*Post*, p. 1219.

Altus project, Okla.

Administrative expenses.

*Proviso.*  
Services in the District.

Geological Survey.

For continuation of construction of the following projects and for general investigations in not to exceed the following amounts, respectively, to be expended from the general fund of the Treasury in the same manner and for the same objects of expenditures as specified for projects included hereinbefore in this Act under the caption "Bureau of Reclamation", and to be reimbursable (except as to the Colorado River project, Texas) under the reclamation law:

Central Valley project, California, \$9,000,000, together with the unexpended balance of the appropriation for this project contained in the Interior Department Appropriation Act, fiscal year 1938, with authority in connection with the construction of the Central Valley project, California, (1) to purchase or condemn and to improve suitable land for relocation of highways, roadways, railroads, telegraph, telephone, or electric transmission lines or other properties the relocation of which, in the judgment of the Secretary of the Interior, will be necessitated by construction or operation and maintenance of said project, (2) in full or part payment for said properties to be relocated, to enter into contracts with the owners of said properties to be relocated whereby they undertake in whole or in part the property acquisition and work involved in relocation and, in said Secretary's discretion, to pay in advance for said work undertaken by said owners; and (3) to convey or exchange acquired rights-of-way or other lands or rights-of-way owned or held by the United States for use in connection with said project, or to grant perpetual easements therein or thereover, or to undertake improvement or construction work connected with said relocations, for the purpose of effecting completely said relocations;

Colorado River project, Texas: For continuation of construction of the Marshall Ford Dam and appurtenant works, \$2,030,000;

Grand Coulee Dam project, Washington: For continuation of construction of Grand Coulee Dam and appurtenant works, \$13,000,000, together with the unexpended balance of the appropriation for this purpose contained in the Interior Department Appropriation Act, fiscal year 1938: *Provided*, That not to exceed \$250,000 of this appropriation may be used for the purposes set out in section 2 of the Act of May 27, 1937 (Public, Numbered 117, Seventy-fifth Congress);

For cooperative investigations, including investigations in the so-called "Dust Bowl", in cooperation with the Corps of Engineers, the Farm Security Administration, and other Federal agencies, of irrigation, flood control, and resettlement possibilities of proposed projects, \$200,000, of which \$25,000 shall be available for the proposed Altus project, Oklahoma; said funds to be available for expenditure by the Secretary of the Interior, and by the Corps of Engineers, the Farm Security Administration, and other Federal agencies, upon transfer pursuant to agreement between the said Secretary and any of the said agencies.

For administrative expenses on account of the above projects, including personal services in the District of Columbia and in the field, \$750,000, in addition to and for the same objects of expenditure as are hereinbefore enumerated in paragraphs 2 and 3 under the caption "Bureau of Reclamation"; in all, \$24,980,000: *Provided*, That of this amount not to exceed \$50,000 may be expended for personal services in the District of Columbia.

## GEOLOGICAL SURVEY

## SALARIES

Salaries.

For the Director of the Geological Survey and other personal services in the District of Columbia, \$144,680;

## GENERAL EXPENSES

For every expenditure requisite for and incident to the authorized work of the Geological Survey, including personal services in the District of Columbia and in the field, including not to exceed \$30,000 for the purchase and exchange, and not to exceed \$55,000 for the hire, maintenance, repair, and operation of motor-propelled and horse-drawn passenger-carrying vehicles for field use only by geologists, topographers, engineers, and land classifiers, and the Geological Survey is authorized to exchange unserviceable and worn out passenger-carrying and freight-carrying vehicles as part payment for new freight-carrying vehicles, and including not to exceed \$3,000 for necessary traveling expenses of the Director and members of the Geological Survey acting under his direction, for attendance upon meetings of technical, professional, and scientific societies when required in connection with the authorized work of the Geological Survey, to be expended under the regulations from time to time prescribed by the Secretary of the Interior, and under the following heads:

**Topographic surveys:** For topographic surveys in various portions of the United States, \$725,000, of which amount not to exceed \$250,000 may be expended for personal services in the District of Columbia: *Provided*, That no part of this appropriation shall be expended in cooperation with States or municipalities except upon the basis of the State or municipality bearing all of the expense incident thereto in excess of such an amount as is necessary for the Geological Survey to perform its share of standard topographic surveys, such share of the Geological Survey in no case exceeding 50 per centum of the cost of the survey: *Provided further*, That \$280,500 of this amount shall be available only for such cooperation with States or municipalities;

**Geologic surveys:** For geologic surveys in the various portions of the United States and chemical and physical researches relative thereto, \$500,000, of which not to exceed \$300,000 may be expended for personal services in the District of Columbia;

**Mineral resources of Alaska:** For continuation of the investigation of the mineral resources of Alaska, \$60,000, to be available immediately, of which amount not to exceed \$25,000 may be expended for personal services in the District of Columbia;

**Gaging streams:** For gaging streams and determining the water supply of the United States, the investigation of underground currents and artesian wells, and the preparation of reports upon the best methods of utilizing the water resources, \$1,050,000, of which amount not to exceed \$130,000 may be expended for personal services in the District of Columbia: *Provided*, That no part of this appropriation shall be expended in cooperation with States or municipalities except upon the basis of the State or municipality bearing all of the expense incident thereto in excess of such an amount as is necessary for the Geological Survey to perform its share of general water resource investigations, such share of the Geological Survey in no case exceeding 50 per centum of the cost of the investigation: *Provided further*, That \$850,000 of this amount shall be available only for such cooperation with States or municipalities;

**Classification of lands:** For the examination and classification of lands with respect to mineral character and water resources as required by the public-land laws and for related administrative operations; for the preparation and publication of mineral-land classification and water-resources maps and reports; for engineering supervision of power permits and grants under the jurisdiction of the Secretary of the Interior; and for performance of work of the Federal

General expenses.

Vehicles.

Traveling expenses.

Attendance at meetings.

Topographic surveys.

*Provisos.*  
Cooperation with States.

Limitation on amount.

Geologic surveys.

Mineral resources of Alaska, investigation.

Gaging streams; investigations, etc.

Services in the District.

*Provisos.*  
Cooperation with States.

Limitation on amount.

Classification of lands as to mineral character, etc.

Printing and binding, etc.

Power Commission, \$105,000, of which amount not to exceed \$60,000 may be expended for personal services in the District of Columbia;

Printing and binding, and so forth: For printing and binding, \$120,000; for preparation of illustrations, \$25,000; and for engraving and printing geologic and topographic maps, \$120,000; in all, \$265,000;

Mineral leasing.

38 Stat. 742; 41 Stat. 437, 1363.

48 U. S. C. §§ 435, 444; 30 U. S. C. §§ 141, 181.

Mineral leasing: For the enforcement of the provisions of the Acts of October 20, 1914 (48 U. S. C. 435), October 2, 1917 (30 U. S. C. 141), February 25, 1920 (30 U. S. C. 181), as amended, and March 4, 1921 (48 U. S. C. 444), and other Acts relating to the mining and recovery of minerals on Indian and public lands and naval petroleum reserves; and for every other expense incident thereto, including supplies, equipment, expenses of travel and subsistence, the construction, maintenance, and repair of necessary camp buildings and appurtenances thereto, \$315,000, of which amount not to exceed \$65,000 may be expended for personal services in the District of Columbia;

Cooperative work on scientific, etc., investigations for Government agencies.

During the fiscal year 1939 the head of any department or independent establishment of the Government having funds available for scientific and technical investigations and requiring cooperative work by the Geological Survey on scientific and technical investigations within the scope of the functions of that bureau and which it is unable to perform within the limits of its appropriations may, with the approval of the Secretary of the Interior, transfer to the Geological Survey such sums as may be necessary to carry on such investigations. The Secretary of the Treasury shall transfer on the books of the Treasury Department any sums which may be authorized hereunder, and such amounts shall be placed to the credit of the Geological Survey for the performance of work for the department or establishment from which the transfer is made: *Provided*, That any sums transferred by any department or independent establishment of the Government to the Geological Survey for cooperative work in connection with this appropriation may be expended in the same manner as sums appropriated herein may be expended: *Provided further*, That any funds herein appropriated for the Geological Survey for cooperative work may be utilized prior to July 1, 1938, as required to enable the Geological Survey to continue its cooperative work pending reimbursement from cooperative agencies, the amount so utilized to be repaid to the appropriation from which advanced;

Credit of funds.

*Provisos.*  
Expenditure of transferred funds.

Cooperative work; availability of funds.

Aerial photographs for mapping projects.

During the fiscal year 1939, upon the request of the Secretary of the Interior, the Secretary of War or the Secretary of the Navy is authorized to furnish aerial photographs required for mapping projects, insofar as the furnishing of such photographs will be economical to the Federal Government and does not conflict with military or naval operations or the other parts of the regular training program of the Army, Navy, and Marine Corps flying services, and the Secretary of the Interior is authorized to reimburse the War or Navy Department for the cost of making the photographs, such cost to be confined to the actual cost of gasoline, oil, film, paper, chemicals, and the labor performed in developing the photographic negatives and the printing of copies of photographs, and the per diem expenses of the personnel authorized by law, together with such incidental expenses as care and minor repairs to plane and transportation of personnel to and from projects, and the War Department or the Navy Department, on request of the Department of the Interior, is authorized to furnish copies to any State, county, or municipal agency cooperating with the Federal Government in the mapping project for which the photographs were taken. In the event that the Director of the Geological Survey deems it advantageous to the Government, the Geological Survey is authorized to

Contracts with civilians.

contract with civilian aerial photographic concerns for the furnishing of such photographs;

Appropriations herein made, and funds transferred thereto, shall be available for payment of the costs of packing, crating, and transportation (including drayage) of personal effects of employees upon permanent change of station, under regulations to be prescribed by the Secretary of the Interior;

Total, United States Geological Survey, \$3,164,680.

## BUREAU OF MINES

Bureau of Mines.

### SALARIES AND GENERAL EXPENSES

Salaries and general expenses: For general expenses, including pay of the Director and necessary assistants, clerks, and other employees, in the office in the District of Columbia and in the field, and every other expense requisite for and incident to the general work of the Bureau in the District of Columbia and in the field, to be expended under the direction of the Secretary of the Interior, \$64,000, of which amount not to exceed \$52,000 may be expended for personal services in the District of Columbia.

Salaries and general expenses.

Operating mine rescue cars and stations and investigation of mine accidents: For the investigation and improvement of mine-rescue and first-aid methods and appliances and the teaching of mine safety, rescue, and first-aid methods; investigations as to the causes of mine explosions, causes of falls of roof and coal, methods of mining, especially in relation to the safety of miners, the appliances best adapted to prevent accidents, the possible improvement of conditions under which mining operations are carried on, the use of explosives and electricity, the prevention of accidents, statistical studies and reports relating to mine accidents, and other inquiries and technologic investigations pertinent to the mining industry; the exchange in part payment for operation, maintenance, and repair of mine-rescue trucks; the construction of temporary structures and the repair, maintenance, and operation of mine-rescue cars and the Government-owned mine-rescue stations and appurtenances thereto; personal services, traveling expenses and subsistence, equipment, and supplies; travel and subsistence, and other incidental expenses of employees in attendance at meetings and conferences held for the purpose of promoting safety and health in the mining and allied industries; purchase not exceeding \$6,000, exchange as part payment for, operation, maintenance, and repair of motor-propelled passenger-carrying vehicles for official use in field work; purchase and exchange in part payment therefor of cooks' uniforms, goggles, gloves, rubber boots, aprons, and such other articles or equipment as may be necessary in connection with the purposes of this paragraph; including not to exceed \$67,100 for personal services in the District of Columbia, \$635,000: *Provided*, That of this amount not to exceed \$500 may be expended for the purchase and bestowal of trophies in connection with mine-rescue and first-aid contests;

Mine rescue cars and stations.

Investigation of accidents, etc.

Attendance at meetings, etc.

Vehicles.

*Proviso.*  
Trophies, mine-rescue, etc., contests.

Testing fuel: To conduct inquiries and scientific and technologic investigations concerning the mining, preparation, treatment, and use of mineral fuels, and for investigation of mineral fuels belonging to or for the use of the United States, with a view to their most efficient utilization; to recommend to various departments such changes in selection and use of fuel as may result in greater economy, and upon request of the Director of the Bureau of the Budget, to investigate the fuel-burning equipment in use by or proposed for any of the departments, establishments, or institutions of the United

Testing fuel.

States in the District of Columbia, \$250,400, of which amount not to exceed \$29,400 may be expended for personal services in the District of Columbia;

Mineral mining investigations.

Mineral mining investigations: For inquiries and scientific and technologic investigations concerning the mining, preparation, treatment, and utilization of ores and mineral substances, other than fuels, with a view to improving health conditions and increasing safety, efficiency, economic development, and conserving resources through the prevention of waste in the mining, quarrying, metallurgical, and other mineral industries; to inquire into the economic conditions affecting these industries; and including all equipment, supplies, expenses of travel and subsistence, and the purchase, not to exceed \$12,000, including exchange, operation, maintenance, and repair of motor-propelled passenger-carrying vehicles for official use in field work, including not to exceed \$24,700 for personal services in the District of Columbia, \$270,860: *Provided*, That no part of this appropriation may be expended for an investigation in behalf of any private party;

Vehicles.

*Proviso.*  
Investigations for private parties.

Oil and gas investigations.

Oil and gas investigations: For inquiries and investigations and dissemination of information concerning the mining, preparation, treatment, and utilization of petroleum and natural gas, including economic conditions affecting the industry, with a view to economic development and conserving resources through the prevention of waste; for the purchase of newspapers relating to the oil, gas, and allied industries: *Provided*, That section 192 of the Revised Statutes (5 U. S. C. 102) shall not apply to such purchase of newspapers from this appropriation; and for every other expense incident thereto, including supplies, equipment, expenses of travel and subsistence, purchase, not to exceed \$6,000, exchange as part payment for, maintenance, and operation of motor-propelled passenger-carrying vehicles for official use in field work, purchase of laboratory gloves, goggles, rubber boots, and aprons, \$260,000, of which amount not to exceed \$22,600 may be expended for personal services in the District of Columbia;

*Proviso.*  
Purchase of newspapers.  
R. S. § 192.  
5 U. S. C. § 102.

Mining experiment stations.

Mining experiment stations: For the employment of personal services, purchase of laboratory gloves, goggles, rubber boots, and aprons, the purchase not to exceed \$3,000, exchange as part payment for, maintenance and operation of motor-propelled passenger-carrying vehicles for official use in field work, and all other expenses in connection with the establishment, maintenance, and operation of mining experiment stations, as provided in the Act authorizing additional mining experiment stations, approved March 3, 1915 (30 U. S. C. 8), \$365,000, of which appropriation not to exceed \$17,100 may be expended for personal services in the District of Columbia;

Additional stations.  
38 Stat. 959.  
30 U. S. C. § 8.

Pittsburgh and Bruceton, Pa., care, etc., buildings and grounds.

Buildings and grounds, Pittsburgh, Pennsylvania: For care and maintenance of buildings and grounds at Pittsburgh and Bruceton, Pennsylvania, including personal services, the purchase, exchange as part payment for, operation, maintenance, and repair of passenger automobiles for official use, and all other expenses requisite for and incident thereto, including not to exceed \$5,000 for additions and improvements, \$95,000;

Economics of mineral industries.  
Investigations, etc.

Economics of mineral industries: For inquiries and investigations, and the dissemination of information concerning the economic problems of the mining, quarrying, metallurgical, and other mineral industries, with a view to assuring ample supplies and efficient distribution of the mineral products of the mines and quarries, including studies and reports relating to uses, reserves, production, distribution, stocks, consumption, prices, and marketing of mineral commodities and pri-

mary products thereof; preparation of the reports of the mineral resources of the United States, including special statistical inquiries; and including personal services in the District of Columbia and elsewhere; purchase of furniture and equipment; stationery and supplies; typewriting, adding and computing machines, accessories and repairs; newspapers, traveling expenses; purchase, not exceeding \$1,200, exchange as part payment for, operation, maintenance, and repair of motor-propelled passenger-carrying vehicles for official use in field work; and for all other necessary expenses not included in the foregoing, \$324,500, of which amount not to exceed \$230,000 may be expended for personal services in the District of Columbia;

Helium production and investigations: The sums made available for the fiscal year 1939 in the Acts making appropriations for the War and Navy Departments for the acquisition of helium from the Bureau of Mines shall be transferred to the Bureau of Mines on July 1, 1938, for operation and maintenance of the plants for the production of helium for military and naval purposes, including laboratory gloves, goggles, rubber boots, and aprons; purchase, not to exceed \$2,500, and exchange as part payment for, maintenance, operation, and repair of motor-propelled passenger-carrying vehicles for official use in field work, and all other necessary expenses, and including \$11,300 for personal services in the District of Columbia;

During the fiscal year 1939 the head of any department or independent establishment of the Government having funds available for scientific investigations and requiring cooperative work by the Bureau of Mines on scientific investigations within the scope of the functions of that Bureau and which it is unable to perform within the limits of its appropriations may, with the approval of the Secretary of the Interior, transfer to the Bureau of Mines such sums as may be necessary to carry on such investigations. The Secretary of the Treasury shall transfer on the books of the Treasury Department any sums which may be authorized hereunder, and such amounts shall be placed to the credit of the Bureau of Mines for the performance of work for the department or establishment from which the transfer is made: *Provided*, That any sums transferred by any department or independent establishment of the Government to the Bureau of Mines for cooperative work in connection with this appropriation may be expended in the same manner as sums appropriated herein may be expended;

The purchase of supplies and equipment or the procurement of services for the Bureau of Mines, at the seat of government, as well as in the field outside of the District of Columbia, may be made in open market without compliance with section 3709 of the Revised Statutes (41 U. S. C. 5) of the United States, in the manner common among businessmen, when the aggregate amount of the purchase or the service does not exceed \$100 in any instance;

For necessary traveling expenses of the director and employees of the Bureau, acting under his direction, for attendance upon meetings of technical, professional, and scientific societies, when required in connection with the authorized work of the Bureau of Mines and incurred on the written authority of the Secretary of the Interior, there is hereby made available from any appropriations made to the Bureau of Mines not to exceed in all \$3,000;

Persons employed during the fiscal year 1939 in field work outside of the District of Columbia under the Bureau of Mines may be detailed temporarily for service in the District of Columbia for the purposes of preparing results of their field work; all persons so detailed shall be paid in addition to their regular compensation only

Reports.  
Statistical inquiries.

Vehicles.

Services in the District.

Helium production and investigations.  
*Post*, p. 655; *ante*, p. 239.

Scientific investigations for departments, etc.

Transfer of sums.

*Proviso*.  
Expenditure.

Minor purchases without advertising.

R. S. § 3709.  
41 U. S. C. § 5.

Traveling expenses, attendance at meetings, etc.

Detail of field employees.

Allowance.



*Proviso.*  
Payment of em-  
ployees' expenses.

Report of details to  
Congress.

Details from Public  
Health Service.

Traveling expenses,  
on transfer from one  
station to another.

Transportation of  
household goods, etc.

National Park Serv-  
ice.

Salaries.

Accounting services.

Specialists and ex-  
perts.

*Proviso.*  
Employment with-  
out reference to Classi-  
fication, etc., Acts.  
5 U. S. C. §§ 661-  
674; Supp. III, § 673,  
673c.

5 U. S. C. §§ 631-652.  
Field employees.

Regional offices.

General expenses.

*Proviso.*  
Field employees at-  
tending meetings.

National Parks, ad-  
ministration, etc.  
Acadia, Maine.  
George B. Dorr.

traveling expenses in going to and returning therefrom: *Provided*, That nothing herein shall prevent the payment to employees of the Bureau of Mines of their necessary expenses, or per diem in lieu of subsistence, while on temporary detail in the District of Columbia for purposes only of consultation or investigations on behalf of the United States. All details made hereinunder, and the purposes of each, during the preceding fiscal year shall be reported in the annual estimates of appropriations to Congress at the beginning of each regular session thereof;

The Secretary of the Treasury may detail medical officers of the Public Health Service for cooperative health, safety, or sanitation work with the Bureau of Mines, and the compensation and expenses of the officers so detailed may be paid from the applicable appropriations made herein for the Bureau of Mines;

Appropriations for the fiscal year 1939 available for expenses of travel of officers and employees of the Bureau of Mines, and funds transferred thereto, shall be available for expenses of travel performed by them on transfer from one official station to another when authorized by the Secretary of the Interior, and for the expenses incurred in packing, crating, drayage, and transportation of household effects and other personal property of employees so transferred, under regulations to be prescribed by the Secretary of the Interior; Total, Bureau of Mines, \$2,264,760.

## NATIONAL PARK SERVICE

**Salaries:** For the Director of the National Park Service and other personal services in the District of Columbia, including accounting services in checking and verifying the accounts and records of the various operators, licensees, and permittees conducting utilities and other enterprises within the national parks and monuments, and including the services of specialists and experts for investigations and examinations of lands to determine their suitability for national-park and national-monument purposes: *Provided*, That such specialists and experts may be employed for temporary service at rates to be fixed by the Secretary of the Interior to correspond to those established by the Classification Act of 1923, as amended, and without reference to the Civil Service Act of January 16, 1883, \$218,540, of which amount not to exceed \$15,000 may be expended for the services of field employees engaged in examination of lands and in developing the educational work of the National Park Service.

**Regional offices:** For salaries and expenses of regional offices necessary in the administration, protection, maintenance, and improvement of the National Park System, including not exceeding \$8,000 for personal services in the District of Columbia, \$34,000.

**General expenses:** For every expenditure requisite for and incident to the authorized work of the office of the Director of the National Park Service not herein provided for, including traveling expenses, telegrams, photographic supplies, prints, and motion-picture films, necessary expenses of attendance at meetings concerned with the work of the National Park Service when authorized by the Secretary of the Interior, and necessary expenses of field employees engaged in examination of lands and in developing the educational work of the National Park Service, \$28,500: *Provided*, That necessary expenses of field employees in attendance at such meetings, when authorized by the Secretary, shall be paid from the various park and monument appropriations.

**Acadia National Park, Maine:** For administration, protection, and maintenance, including \$3,000 for George B. Dorr as superintendent without regard to the requirements of the provisions of the Civil

Service Retirement Act approved May 22, 1920 (5 U. S. C. 691-693, 697-731), as amended, \$3,000 for temporary clerical services for investigation of titles and preparation of abstracts thereof of lands donated to the United States for inclusion in the Acadia National Park, and not exceeding \$2,800 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, \$49,700.

Bryce Canyon National Park, Utah: For administration, protection, and maintenance, including not exceeding \$300 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with the general park work, \$12,250.

Carlsbad Caverns National Park, New Mexico: For administration, protection, and maintenance, including not exceeding \$800 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, \$100,300.

Crater Lake National Park, Oregon: For administration, protection, and maintenance, including not exceeding \$1,410 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, \$83,615.

General Grant National Park, California: For administration, protection, and maintenance, including not exceeding \$350 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles, \$20,960.

Glacier National Park, Montana: For administration, protection, and maintenance, including necessary repairs to the roads from Glacier Park Station through the Blackfeet Indian Reservation to the various points in the boundary line of the Glacier National Park and the international boundary, including not exceeding \$2,475 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, and including not exceeding \$10,000 for the purchase of land, \$234,920.

Grand Canyon National Park, Arizona: For administration, protection, and maintenance, including not exceeding \$1,000 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, and not exceeding \$4,000 for the construction of an employee's residence, \$123,630.

Grand Teton National Park, Wyoming: For administration, protection, and maintenance, including not exceeding \$970 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, \$31,380.

Great Smoky Mountains National Park, North Carolina and Tennessee: For administration, protection, and maintenance, including not to exceed \$1,150 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for use in connection with general park work, \$86,350.

Hawaii National Park: For administration, protection, and maintenance, including not exceeding \$1,600 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, \$56,400.

Hot Springs National Park, Arkansas: For administration, protection, maintenance, and improvement, including not exceeding \$700 for the purchase, maintenance, operation, and repair of motor-driven

5 U. S. C. §§ 691-693, 697-731; Supp. III, ch. 14.

Vehicles.

Bryce Canyon,  
Utah.

Carlsbad Caverns,  
N. Mex.

Crater Lake, Oreg.

General Grant,  
Calif.

Glacier, Mont.

Grand Canyon,  
Ariz.

Grand Teton, Wyo.

Great Smoky  
Mountains, N. C.-  
Tenn.

Hawaii.

Hot Springs, Ark.

- passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, \$73,530.
- Lassen Volcanic, Calif. Lassen Volcanic National Park, California: For administration, protection, and maintenance, including not exceeding \$700 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, and including not to exceed \$1,000 for the maintenance of approach roads through the Lassen National Forest, \$50,300.
- Mesa Verde, Colo. Mesa Verde National Park, Colorado: For administration, protection, and maintenance, including not exceeding \$1,500 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, \$55,290.
- Mount McKinley, Alaska. Mount McKinley National Park, Alaska: For administration, protection, and maintenance, including not exceeding \$200 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, \$28,770.
- Mount Rainier, Wash. Mount Rainier National Park, Washington: For administration, protection, maintenance, and improvement, including not exceeding \$2,150 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, \$146,555; for the acquisition by purchase or condemnation of certain lands, within Mount Rainier National Park, \$30,000; in all, \$176,555.
- Platt, Okla. Platt National Park, Oklahoma: For administration, protection, and maintenance, including not exceeding \$300 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, \$19,325.
- Rocky Mountain, Colo. Rocky Mountain National Park, Colorado: For administration, protection, and maintenance, including not exceeding \$1,350 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, \$88,950.
- Sequoia, Calif. Sequoia National Park, California: For administration, protection, and maintenance, including not exceeding \$750 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, including maintenance and repair of the Generals Highway between the boundaries of Sequoia and General Grant National Parks, and including not exceeding \$25,000 for the development of Crystal Cave and the approach road thereto, \$133,935.
- Shenandoah, Va. Shenandoah National Park, Virginia: For administration, protection, and maintenance, including not exceeding \$1,650 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, \$68,900.
- Wind Cave, S. Dak. Wind Cave National Park, South Dakota: For administration, protection, and maintenance, including not exceeding \$150 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, \$18,720.
- Yellowstone, Wyo. Yellowstone National Park, Wyoming: For administration, protection, and maintenance, including not exceeding \$5,900 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, not exceeding \$15,500 for main-

tenance of the roads in the national forests leading out of the park from the east, northeast, southwest, and south boundaries, and including feed for buffalo and other animals and salaries of buffalo keepers, \$447,840.

Yosemite National Park, California: For administration, protection, and maintenance, including not exceeding \$1,800 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, not exceeding \$1,000 for maintenance of the road in the Stanislaus National Forest connecting the Tioga Road with the Hetch Hetchy Road near Mather Station, and including necessary expenses of a comprehensive study of the problems relating to the use and enjoyment of the Yosemite National Park and the preservation of its natural features, \$311,920.

Yosemite, Calif.

Zion National Park, Utah: For administration, protection, and maintenance, including not exceeding \$1,870 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the superintendent and employees in connection with general park work, \$43,330.

Zion, Utah.

National monuments: For administration, protection, maintenance, and preservation of national monuments, including not exceeding \$7,000 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles for the use of the custodians and employees in connection with general monument work, \$216,920.

National monuments, administration, etc.

El Morro National Monument: Water supply and distribution system, \$4,000.

El Morro.

National historical parks and monuments: For administration, protection, maintenance, and improvement, including not exceeding \$1,400 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles, \$146,610.

National historical parks and monuments.

National military parks, battlefields, monuments, and cemeteries: For administration, protection, maintenance, and improvement, including not exceeding \$7,650 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles, \$342,140.

National military parks, battlefields, etc.

Boulder Dam Recreational Area, Arizona and Nevada: For administration, protection, and maintenance of the recreational activities of the Boulder Dam Recreational Area and any lands that may be added thereto by Presidential or other authority, including not exceeding \$3,000 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles, and not exceeding \$16,000 for the purchase of a machine-shop building, \$87,840.

Boulder Dam Recreational Area, Ariz.-Nev.

Emergency reconstruction and fighting forest fires in national parks: For reconstruction, replacement, and repair of roads, trails, bridges, buildings, and other physical improvements and of equipment in national parks or national monuments that are damaged or destroyed by flood, fire, storm, or other unavoidable causes during the fiscal year 1939, and for fighting or emergency prevention of forest fires in national parks or other areas administered by the National Park Service, or fires that endanger such areas, \$40,000, and in addition thereto the unexpended balance for this purpose for the fiscal year 1938 is continued available during the fiscal year 1939, together with not to exceed \$100,000 to be transferred upon the approval of the Secretary of the Interior from the various appropriations for national parks and national monuments herein contained, any such diversions of appropriations to be reported to Congress in the annual Budget: *Provided*, That the allotment of these funds to the various national parks or areas administered by the National Park Service as may be required for fire-fighting purposes shall be made by the Secretary of the Interior, and then only after the obligation for the expenditure has been incurred.

Emergency reconstruction and fighting forest fires.

Balance continued available.  
50 Stat. 607.

*Proviso.*  
Restriction on allotment.

Forest protection  
and fire prevention.

Forest protection and fire prevention: For the control and the prevention of spread of forest insects and tree diseases and for fire-prevention measures, including equipment, and personal services in the District of Columbia (not to exceed \$15,000) and elsewhere, \$110,000, to be immediately available.

Accounting.  
*Proviso.*  
Sums interchange-  
able.

The total of the foregoing amounts shall be available in one fund for the National Park Service: *Provided*, That 10 per centum of the foregoing amounts shall be available interchangeably and shall be reported to Congress in the annual Budget.

Lectures, etc.

Appropriations herein made for the national parks, national monuments, and other reservations under the jurisdiction of the National Park Service, shall be available for the giving of educational lectures therein; for the services of field employees in cooperation with such nonprofit scientific and historical societies engaged in educational work in the various parks and monuments as the Secretary, in his discretion, may designate; and for travel expenses of employees attending Government camps for training in forest-fire prevention and suppression.

Trucks, etc.

Appropriations herein made for the Department of the Interior shall be available for the purchase, maintenance, operation, and repair of vehicles generally known as quarter-ton or half-ton pick-up trucks without such trucks being considered as passenger-carrying vehicles and without the cost of purchase, maintenance, operation, and repair being included in the limitation in the various appropriation items for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles.

Telephones, instal-  
lation and operation  
in residences.

Appropriations herein made for the National Park Service shall be available for the installation and operation of telephones in Government-owned residences, apartments, or quarters occupied by employees of the National Park Service, provided the Secretary determines the provision of such services are advantageous in the administration of these areas.

Roads and trails,  
construction, etc.

Roads and Trails, National Park Service: For the construction, reconstruction, and improvement of roads and trails, inclusive of necessary bridges, in the national parks, monuments, and other areas administered by the National Park Service, including the Boulder Dam Recreational Area, and other areas authorized to be established as national parks and monuments, and national park and monument approach roads authorized by the Act of January 31, 1931 (16 U. S. C. 8a and 8b), as amended, including the roads from Glacier Park Station through the Blackfeet Indian Reservation to various points in the boundary line of the Glacier National Park and the international boundary, \$2,991,120, to be immediately available and to remain available until expended: *Provided*, That not to exceed \$50,000 of the amount herein appropriated may be expended for personal services in the District of Columbia during the fiscal year 1939.

46 Stat. 1053.  
16 U. S. C. §§ 8a, 8b.

Availability.

*Proviso.*  
Services in the Dis-  
trict.

Blue Ridge and  
Natchez Trace Park-  
ways.  
49 Stat. 1520.

Blue Ridge and Natchez Trace Parkways: For continuing the construction and maintenance, under the provisions of section 5 of the Act of June 16, 1936 (49 Stat. 1519-1522), of the Blue Ridge and Natchez Trace Parkways, including not exceeding \$1,000 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles, to be immediately available and remain available until expended, \$5,000,000, of which amount not to exceed \$40,000 shall be available for personal services in the District of Columbia: *Provided*, That \$1,500,000 and any other sums received from other sources for said Natchez Trace Parkway shall be allotted and expended ratably between the States of Mississippi, Alabama, and Tennessee according to mileage of said parkway in each respec-

*Provisos.*  
Allotments to desig-  
nated States.

tive State and said allotments shall be used for no other purpose: *Provided further*, That the Secretary of the Interior shall make a detailed statement of expenditures from this appropriation to the Senate and House Committees on Appropriations at the beginning of the next regular session of Congress.

**Historic sites and buildings:** For carrying out the provisions of the Act entitled "An Act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes", approved August 21, 1935 (49 Stat. 666), including personal services in the District of Columbia, \$12,000.

**Investigation and purchase of water rights:** For the investigation and establishment of water rights, including the purchase thereof or of lands or interests in lands or rights-of-way for use and protection of water rights necessary or beneficial in connection with the administration and public use of the national parks and monuments, and including not exceeding \$1,000 for the purchase, maintenance, operation, and repair of motor-driven passenger-carrying vehicles, \$50,000.

**Salaries and general expenses, public buildings and grounds in the District of Columbia:** For administration, protection, maintenance, and improvement of public buildings, monuments, memorials, and grounds in the District of Columbia under the jurisdiction of the National Park Service, including the National Archives Building; per-diem employees at rates of pay approved by the Director, not exceeding current rates for similar services in the District of Columbia; rent of buildings; demolition of buildings; expenses incident to moving various executive departments and establishments in connection with the assignment, allocation, transfer, and survey of building space; traveling expenses and carfare; leather and rubber articles and gas masks for the protection of public property and employees; arms and ammunition for the guard force; not exceeding \$18,000 for uniforms for employees; and the purchase, maintenance, repair, exchange, storage, and operation of four motor-propelled passenger-carrying vehicles; \$7,513,000, of which amount not to exceed \$500,000 shall be available for major repairs and improvements to public buildings, monuments, memorials, and grounds in the District of Columbia.

**Salaries and expenses, public buildings outside the District of Columbia:** For administration, protection, and maintenance, including improvement, repair, cleaning, heating, lighting, rental of buildings and equipment, supplies, materials, personal services, arms, ammunition, leather and rubber articles and gas masks for the protection of public property and employees, and every expenditure requisite for and incidental to such maintenance and operation of public buildings outside of the District of Columbia under the jurisdiction of the National Park Service, \$577,892: *Provided*, That not to exceed \$5,040 of the amount herein appropriated may be expended for personal services in the District of Columbia.

**Salaries and expenses, National Capital parks:** For administration, protection, maintenance, and improvement of the Mount Vernon Memorial Highway, Arlington Memorial Bridge, George Washington Memorial Parkway, Federal parks in the District of Columbia, and other Federal lands authorized by the Act of May 29, 1930 (46 Stat. 482), including the pay and allowances in accordance with the provisions of the Act of May 27, 1924, as amended, of the police force for the Mount Vernon Memorial Highway and the George Washington Memorial Parkway, and the operation, maintenance, repair, exchange, and storage of three automobiles, revolvers, ammunition,

Statement of expenditures to Congress.

Historic sites and buildings.

49 Stat. 666.  
16 U. S. C., Supp. III, § 461.

Water rights, investigation, etc.

Public buildings and grounds, D. C.  
Salaries and expenses.  
*Post*, p. 1135.

Vehicles.

Public buildings outside D. C.  
Salaries and expenses.

*Proviso.*  
Services in the District.

National Capital parks.  
Salaries and expenses.

46 Stat. 482.

43 Stat. 174.

Miscellaneous expenses.

uniforms, and equipment, per-diem employees at rates of pay approved by the Director not exceeding current rates for similar services in the District of Columbia, the hire of draft animals with or without drivers at local rates approved by the Director, traveling expenses and carfare, and leather and rubber articles for the protection of public property and employees, \$227,000, of which \$50,000 shall be available for repairs to the Arlington Memorial Bridge.

Arlington bridge, repairs.

Office of Education.

## OFFICE OF EDUCATION

### SALARIES

Salaries.

For the Commissioner of Education and other personal services in the District of Columbia, \$270,800.

General expenses.

### GENERAL EXPENSES

Travel, attendance at meetings, etc.

For necessary traveling expenses of the Commissioner and employees acting under his direction, including attendance at meetings of educational associations, societies, and other organizations; for compensation, not to exceed \$500, of employees in field service; for purchase, distribution, and exchange of educational documents, motion-picture films, and lantern slides; collection, exchange, and cataloging of educational apparatus and appliances, articles of school furniture and models of school buildings illustrative of foreign and domestic systems and methods of education, and repairing the same; and other expenses not herein provided for, \$21,500.

Libraries of educational institutions. Surveys, reports, etc., of.

For making surveys, studies, investigations, and reports regarding public, school, college, university, and other libraries; fostering coordination of public and school library service; coordinating library service on the national level with other forms of adult education; developing library participation in Federal projects; fostering Nation-wide coordination of research materials among the more scholarly libraries, inter-State library cooperation, and the development of public, school, and other library service throughout the country, and for the administrative expenses incident to performing these duties, including salaries of such assistants, experts, clerks, and other employees in the District of Columbia and elsewhere, as the Commissioner of Education may deem necessary, necessary traveling expenses, including attendance at meetings of educational associations, societies, and other organizations, purchase of miscellaneous supplies, equipment, stationery, typewriters, and exchange thereof, postage on foreign mail, purchase of books of reference, law books, and periodicals, printing and binding, and all other necessary expenses, \$25,000.

Attendance at meetings, etc.

Agriculture and the mechanic arts. Further endowment of colleges of.

Further endowment of colleges of agriculture and the mechanic arts: For carrying out the provisions of section 22 of the Act entitled "An Act to provide for research into basic laws and principles relating to agriculture and to provide for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges", approved June 29, 1935 (49 Stat. 436), \$2,480,000.

49 Stat. 439.  
7 U. S. C., Supp.  
III, § 343d.

Vocational education.

### VOCATIONAL EDUCATION

Salaries and expenses.

39 Stat. 933; 40 Stat. 345.  
20 U. S. C. § 15.

49 Stat. 1489.  
20 U. S. C., Supp.  
III, § 15k.

Salaries and expenses: For carrying out the provisions of section 7 of the Act entitled "An Act to provide for the promotion of vocational education, and so forth", approved February 23, 1917, as amended by the Act of October 6, 1917 (20 U. S. C. 15), and of section 4 of the Act entitled "An Act to provide for the further development of vocational education in the several States and Territories", approved June 8, 1936 (49 Stat. 1488), \$425,000.

Further development of vocational education: For carrying out the provisions of sections 1, 2, and 3 of the Act entitled "An Act to provide for the further development of vocational education in the several States and Territories", approved June 8, 1936 (49 Stat. 1488-1490), \$12,500,000: *Provided*, That the apportionment to the States shall be computed on the basis of not to exceed \$14,483,000 for the fiscal year 1939, as authorized by the Act approved June 8, 1936.

For extending to the Territory of Hawaii the benefits of the Act entitled "An Act to provide for the promotion of vocational education, and so forth", approved February 23, 1917 (20 U. S. C. 11-18), in accordance with the provisions of the Act entitled "An Act to extend the provisions of certain laws to the Territory of Hawaii", approved March 10, 1924 (20 U. S. C. 29), \$30,000.

For extending to Puerto Rico the benefits of the Act entitled "An Act to provide for the promotion of vocational education, and so forth", approved February 23, 1917 (20 U. S. C. 11-18), in accordance with the provisions of the Act entitled "An Act to extend the provisions of certain laws relating to vocational education and civilian rehabilitation to Puerto Rico", approved March 3, 1931 (20 U. S. C. 11-18; 29 U. S. C. 31-35; 20 U. S. C. 30), \$105,000.

Cooperative vocational rehabilitation of persons disabled in industry: For carrying out the provisions of the Act entitled "An Act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment", approved June 2, 1920 (29 U. S. C. 35), as amended by the Act of June 5, 1924 (29 U. S. C. 31), and the Acts of June 9, 1930, and June 30, 1932 (29 U. S. C. 31-40), and section 531 (a) of the Act of August 14, 1935 (49 Stat. 620), \$1,800,000: *Provided*, That the apportionment to the States shall be computed on the basis of not to exceed \$1,938,000, as authorized by the Acts approved June 2, 1920, June 5, 1924, June 9, 1930, June 30, 1932, and August 14, 1935.

Salaries and expenses, vocational rehabilitation: For carrying out the provisions of section 6 of the Act entitled "An Act to provide for the promotion of vocational rehabilitation of persons disabled in industry, and so forth", approved June 2, 1920 (29 U. S. C. 35), and the Acts of June 5, 1924 (29 U. S. C. 31), June 9, 1930, and June 30, 1932 (29 U. S. C. 31, 40), and August 14, 1935 (49 Stat. 620), and for carrying out the provisions of the Act entitled "An Act to authorize the operation of stands in Federal buildings by blind persons, to enlarge the economic opportunities of the blind, and for other purposes", approved June 20, 1936 (49 Stat. 1559, 1560), \$104,650.

Cooperative vocational rehabilitation of disabled residents of the District of Columbia: For personal services, printing and binding, travel and subsistence, and payment of expenses of training, placement, and other phases of rehabilitating disabled residents of the District of Columbia under the provisions of the Act entitled "An Act to provide for the vocational rehabilitation of disabled residents of the District of Columbia", approved February 23, 1929 (45 Stat. 1260), as amended by the Act approved April 17, 1937 (50 Stat. 69), \$25,000.

Promotion of vocational rehabilitation of persons disabled in industry in Hawaii: For extending to the Territory of Hawaii the benefits of the Act entitled "An Act to provide for the promotion of vocational rehabilitation of persons disabled in industry", approved June 2, 1920, as amended (29 U. S. C. 31-44), in accordance with the provisions of the Act entitled "An Act to extend the provisions of certain laws to the Territory of Hawaii", approved March 10, 1924 (29 U. S. C., 45), \$5,000.

Further development in States and Territories.

49 Stat. 1488.  
20 U. S. C., Supp. III, §§ 15h-j.  
*Proviso.*  
Apportionment.

Extending benefits to Hawaii.

39 Stat. 929; 43 Stat. 18.  
20 U. S. C. §§ 11-18, 29; Supp. III, ch. 2.

Extending benefits to Puerto Rico.

39 Stat. 929; 46 Stat. 1489.  
20 U. S. C. §§ 11-18; 29 U. S. C. §§ 31-35; 20 U. S. C. § 30.

Cooperative vocational rehabilitation of persons disabled in industry.

41 Stat. 735; 43 Stat. 431; 46 Stat. 524; 47 Stat. 448.  
29 U. S. C. §§ 31-40.  
49 Stat. 633.  
29 U. S. C., Supp. III, § 45b.  
*Proviso.*  
Basis of apportionment.

Salaries and expenses, vocational rehabilitation.

29 U. S. C. §§ 35, 31, 40.

49 Stat. 620.  
29 U. S. C., Supp. III, § 301.  
Operation of stands in Federal buildings by blind persons.  
49 Stat. 1559.  
29 U. S. C., Supp. III, §§ 107-107f.

Cooperative vocational rehabilitation of disabled residents of District of Columbia.

45 Stat. 1260; 50 Stat. 69.

Provisions extended to Hawaii.

41 Stat. 735; 43 Stat. 18.  
29 U. S. C. §§ 31-45.



Extending benefits  
to Puerto Rico.

39 Stat. 930; 46 Stat.  
1489,  
29 U. S. C. §§ 31-44,  
45a.

Attendance at meet-  
ings.

Exclusive use of  
funds.

Government in the  
Territories.

Alaska.

Governor and secre-  
tary, salaries.  
Incidental and con-  
tingent expenses.

Legislative ex-  
penses.

Public schools, es-  
tablishment, etc.  
*Proviso.*  
Limitation on ex-  
penditures.  
48 Stat. 1227.  
31 U. S. C. § 725c.

Care of insane.

*Provisos.*  
Payments author-  
ized.

Return, etc., of  
those not Alaska resi-  
dents.

Promotion of vocational rehabilitation of persons disabled in industry in Puerto Rico: For extending to the island of Puerto Rico the benefits of the Act entitled "An Act to provide for the promotion of vocational rehabilitation of persons disabled in industry", approved June 2, 1920, as amended (29 U. S. C. 31-44), in accordance with the provisions of the Act entitled "An Act to extend the provisions of certain laws relating to vocational education and civilian rehabilitation to Puerto Rico", approved March 3, 1931 (29 U. S. C. 45a), \$15,000.

Not to exceed an aggregate of \$3,000 of appropriations available to the Office of Education for salaries and expenses for vocational education shall be used for expenses of attendance at meetings of educational associations and other organizations which in the discretion of the Commissioner of Education are necessary for the efficient discharge of its responsibilities.

All appropriations for vocational education under the Office of Education in this Act shall be used exclusively for vocational education purposes.

## GOVERNMENT IN THE TERRITORIES

### TERRITORY OF ALASKA

Salaries of the Governor and of the secretary, \$15,600.

For incidental and contingent expenses of the offices of the Governor and the secretary of the Territory, clerk hire, not to exceed \$7,520; janitor service for the Governor's office and the executive mansion, not to exceed \$3,180; traveling expenses of the Governor while absent from the capital on official business and of the secretary of the Territory while traveling on official business under direction of the Governor; repair and preservation of Governor's house and furniture; for care of grounds and purchase of necessary equipment; stationery, lights, water, and fuel; in all, \$25,600, to be expended under the direction of the Governor.

Legislative expenses: For salaries of members, \$21,600; mileage of members, \$9,600; salaries of employees, \$5,200; printing, indexing, comparing proofs, and binding laws, printing, indexing, and binding journals, stationery, supplies, printing of bills, reports, and so forth, \$9,600; in all, \$46,000, to be expended under the direction of the Governor of Alaska.

For the establishment and maintenance of public schools, Territory of Alaska, \$75,000: *Provided*, That expenditures hereunder shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

Insane of Alaska: For care and custody of persons legally adjudged insane in Alaska, including compensation and travel expenses of medical supervisor, transportation, burial, and other expenses, \$202,600: *Provided*, That authority is granted to the Secretary of the Interior to pay from this appropriation to the Sanitarium Company, of Portland, Oregon, or to other contracting institution or institutions, not to exceed \$648 per capita per annum for the care and maintenance of Alaskan insane patients during the fiscal year 1939: *Provided further*, That so much of this sum as may be required shall be available for all necessary expenses in ascertaining the residence of inmates and in returning those who are not legal residents of Alaska to their legal residence or to their friends, and the Secretary of the Interior shall, as soon as practicable, return to their places of residence or to their friends all inmates not residents of Alaska at the time they became insane, and the commitment papers for any

person hereafter adjudged insane shall include a statement by the committing authority as to the legal residence of such person.

For the repair and maintenance of roads, tramways, ferries, bridges, and trails, Territory of Alaska, to be expended under the provisions of the Act approved June 30, 1932 (48 U. S. C. 321a-321c), \$535,000, including not to exceed \$1,500 for repair and maintenance of Government wharf at Juneau, Alaska, to be immediately available.

For the construction, repair, and maintenance of roads, tramways, bridges, trails, and aviation fields, Territory of Alaska, \$160,000, to be available until expended: *Provided*, That expenditures hereunder shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

The Alaska Railroad: For every expenditure requisite for and incident to the authorized work of the Alaska Railroad, including maintenance, operation, and improvements of railroads in Alaska; maintenance and operation of river steamers and other boats on the Yukon River and its tributaries in Alaska; operation and maintenance of ocean-going or coastwise vessels by ownership, charter, or arrangement with other branches of the Government service, for the purpose of providing additional facilities for the transportation of freight, passengers, or mail, when deemed necessary, for the benefit and development of industries and travel affecting territory tributary to the Alaska Railroad; stores for resale; payment of claims for losses and damages arising from operations, including claims of employees of the railroad for loss and damage resulting from wreck or accident on the railroad, not due to negligence of the claimant, limited to clothing and other necessary personal effects used in connection with his duties and not exceeding \$100 in value; payment of amounts due connecting lines under traffic agreements; payment of compensation and expenses as authorized by section 42 of the Injury Compensation Act approved September 7, 1916 (5 U. S. C. 793), to be reimbursed as therein provided, \$160,000, in addition to all revenues received by the Alaska Railroad during the fiscal year 1939, to continue available until expended: *Provided*, That not to exceed \$6,000 of this fund shall be available for personal services in the District of Columbia during the fiscal year 1939, and no one other than the general manager of said railroad shall be paid an annual salary out of this fund of more than \$7,500: *Provided further*, That not to exceed \$10,000 of such fund shall be available for printing and binding.

#### TERRITORY OF HAWAII

Salaries of the Governor and of the secretary, \$15,800.

For contingent expenses, to be expended by the Governor for stationery, postage, and incidentals, and for traveling expenses of the Governor while absent from the capital on official business, \$2,000; private secretary to the Governor, \$3,100; temporary clerk hire, \$750; in all, \$5,850.

Legislative expenses, Territory of Hawaii: For compensation and mileage of members of the Legislature of the Territory of Hawaii as provided by the Act of June 27, 1930, \$47,000.

#### GOVERNMENT OF THE VIRGIN ISLANDS

For salaries of the Governor and employees incident to the execution of the Acts of March 3, 1917 (48 U. S. C. 1391), and June 22, 1936 (48 U. S. C. 1405v), traveling expenses of officers and employees, necessary janitor service, care of Federal grounds, repair and preservation of Federal buildings and furniture, purchase of equipment,

Roads, bridges, etc.  
Repair and maintenance.  
48 U. S. C. §§ 321a-321c.  
Juneau, wharf.

Construction, etc.

*Proviso.*  
Limitation on expenditures.  
48 Stat. 1227.  
31 U. S. C. § 725c.

Alaska Railroad.

Operation, etc., of vessels.

Damage claims.

Injury Compensation Act.

5 U. S. C. § 793.

Revenues of railroad included.

*Proviso.*  
Services in the District.

Salary restriction.

Printing and binding.

Hawaii.

Governor and secretary, salaries.  
Contingent expenses.

Legislative expenses.

Virgin Islands.

Governor, and other personal services.  
39 Stat. 1132.  
48 U. S. C. § 1391.  
49 Stat. 1805.  
48 U. S. C., Supp. III, § 1405v.

Miscellaneous expenses.

stationery, lights, water, and other necessary miscellaneous expenses, including not to exceed \$5,000 for purchase, including exchange, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles, and not to exceed \$4,000 for personal services, household equipment, and furnishings, fuel, ice, and electricity necessary in the operation of Government House at Saint Thomas and Government House at Saint Croix, \$127,250.

Agricultural experiment station and vocational school.  
Salaries and expenses.

For salaries and expenses of the agricultural experiment station and the vocational school in the Virgin Islands, including technical personnel, clerks, and other persons; scientific investigations of plants and plant industries and diseases of animals; demonstrations in practical farming; official traveling expenses; fixtures, apparatus, and supplies; clearing and fencing of land; and other necessary expenses, including not to exceed \$2,000 for purchase, including exchange, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles, \$38,000.

Deficits of municipal governments.

For defraying the deficits in the treasuries of the municipal governments because of the excess of current expenses over current revenues for the fiscal year 1939, municipality of Saint Thomas and Saint John, \$40,000, and municipality of Saint Croix, \$35,000; in all, \$75,000, to be paid to the said treasuries in monthly installments.

Puerto Rican hurricane relief.

#### PUERTO RICAN HURRICANE RELIEF

Administrative expenses.

To enable the Division of Territories and Island Possessions to continue collection and administration of moneys due the United States on account of loans made under the joint resolutions approved December 21, 1928 (45 Stat. 1067), and January 22, 1930 (46 Stat. 57), and to make compositions and adjustments in any loan heretofore made, as authorized by Public Resolutions Numbered 59 (49 Stat. 926) and 60 (49 Stat. 928), Seventy-fourth Congress, approved August 27, 1935, not to exceed \$20,000 of any unobligated balances of appropriations made by authority of those joint resolutions, including repayment of principal and payments of interest on such loans, is hereby made available for administrative expenses during the fiscal year 1939.

45 Stat. 1067; 46 Stat. 57.  
Loan adjustments.  
49 Stat. 926, 928.

Use of balances.

Equatorial and South Sea Islands.

#### EQUATORIAL AND SOUTH SEA ISLANDS

Administrative expenses.

For administrative expenses of the Division of Territories and Island Possessions, in carrying out the provisions of Executive Order Numbered 7368, approved May 13, 1936, relating to certain islands of the United States situate in the Pacific Ocean, namely, Jarvis, Baker, and Howland Islands, including personal services outside the District of Columbia (such employment to be by contract, if deemed necessary, without regard to the provisions of section 3709 of the Revised Statutes), rent, traveling expenses, purchase of necessary books, documents, newspapers and periodicals, stationery, hire of automobiles, purchase of equipment, supplies and provisions, and all other necessary expenses, \$30,000.

R. S. § 3709.  
41 U. S. C. § 5.

Saint Elizabeths Hospital.

#### SAINT ELIZABETHS HOSPITAL

Maintenance, etc.

For support, clothing, and treatment in Saint Elizabeths Hospital for the Insane of insane persons from the Army, Navy, Marine Corps, and Coast Guard, insane inmates of the National Home for Disabled Volunteer Soldiers, persons charged with or convicted of crimes against the United States who are insane, all persons who have become insane since their entry into the military and naval service of the United States, insane civilians in the quartermaster

service of the Army, insane persons transferred from the Canal Zone who have been admitted to the hospital and who are indigent, American citizens legally adjudged insane in the Dominion of Canada whose legal residence in one of the States, Territories, or the District of Columbia it has been impossible to establish, insane beneficiaries of the United States Employees' Compensation Commission, insane beneficiaries of the United States Veterans' Administration, and insane Indian beneficiaries of the Bureau of Indian Affairs, including not exceeding \$27,000 for the purchase, exchange, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles for the use of the superintendent, purchasing agent, and general hospital business, and including not to exceed \$185,000 for repairs and improvements to buildings and grounds, \$1,182,600, including cooperation with organizations or individuals in scientific research into the nature, causes, prevention, and treatment of mental illness, and including maintenance and operation of necessary facilities for feeding employees and others (at not less than cost), and the proceeds therefrom shall reimburse the appropriation for the institution; and not exceeding \$1,500 of this sum may be expended in the removal of patients to their friends; not exceeding \$1,500 in the purchase of such books, periodicals, and newspapers as may be required for the purposes of the hospital and for the medical library, and not exceeding \$1,500 for the actual and necessary expenses incurred in the apprehension and return to the hospital of escaped patients: *Provided*, That so much of this sum as may be required shall be available for all necessary expenses in ascertaining the residence of inmates who are not or who cease to be properly chargeable to Federal maintenance in the institution and in returning them to such places of residence: *Provided further*, That not exceeding \$200 additional may be paid to two employees to provide mail facilities for patients in the hospital: *Provided further*, That no part of this appropriation shall be expended for the purchase of oleomargarine or butter substitutes except for cooking purposes: *Provided further*, That during the fiscal year 1939 the District of Columbia, or any branch of the Government requiring Saint Elizabeths Hospital to care for patients for which they are responsible, shall pay by check to the Superintendent, upon his written request, either in advance or at the end of each month, all or part of the estimated or actual cost of such maintenance, as the case may be, and bills rendered by the Superintendent of Saint Elizabeths Hospital in accordance herewith shall not be subject to audit or certification in advance of payment; proper adjustments on the basis of the actual cost of the care of patients paid for in advance shall be made monthly or quarterly, as may be agreed upon between the Superintendent of Saint Elizabeths Hospital and the District of Columbia government, department, or establishments concerned. All sums paid to the Superintendent of Saint Elizabeths Hospital for the care of patients that he is authorized by law to receive shall be deposited to the credit on the books of the Treasury Department of the appropriation made for the care and maintenance of the patients at Saint Elizabeths Hospital for the year in which the support, clothing, and treatment is provided, and be subject to requisition upon the approval of the Secretary of the Interior.

For construction and equipment of two continuous-treatment buildings, including preparation of plans and specifications, advertising, and supervision of construction, to remain available until June 30, 1940, \$580,000.

Insane citizens in Canada.

Vehicles.

Buildings and grounds.

Removal of patients to their friends.

*Provisos.*  
Return of inmates no longer Federal charges.

Mail facilities.

Butter substitutes, restriction.

Payment for care of patients from the District, etc.

Credit for payments.

Continuous-treatment buildings, construction, etc.

Columbia Institution  
for the Deaf.

### COLUMBIA INSTITUTION FOR THE DEAF

Maintenance, etc.

For support of the institution, including salaries and incidental expenses, books and illustrative apparatus, and general repairs and improvements, and including not to exceed \$13,000 for improvement to the power, heating, and lighting system, \$150,950.

Howard University.

### HOWARD UNIVERSITY

Salaries.

Salaries: For payment in full or in part of the salaries of the officers, professors, teachers, and other regular employees of the university, the balance to be paid from privately contributed funds, \$540,000;

General expenses.

General expenses: For equipment, supplies, apparatus, furniture, cases and shelving, stationery, ice, repairs to buildings and grounds, and for other necessary expenses, \$183,000;

Total, Howard University, \$723,000.

Freedmen's Hos-  
pital.

### FREEDMEN'S HOSPITAL

Salaries, etc.  
*Post*, p. 1136.

Contingent ex-  
penses.

For officers and employees and compensation for all other professional and other services that may be required and expressly approved by the Secretary of the Interior, \$224,820; for subsistence, fuel and light, clothing, to include white duck suits and white canvas shoes for the use of internes, and rubber surgical gloves, bedding, forage, medicine, medical and surgical supplies, surgical instruments, electric lights, repairs, replacement of X-ray apparatus, furniture, purchase of ambulance at not to exceed \$2,500, and maintenance and operation of passenger-carrying vehicles, including not exceeding \$300 for the purchase of books, periodicals, and newspapers; and not to exceed \$1,500 for the special instruction of pupil nurses, and other absolutely necessary expenses, \$175,260; in all, for Freedmen's Hospital, \$400,080, including reimbursement to the appropriation for Howard University of actual cost of heat and light furnished, of which amount of \$400,080 one-half shall be chargeable to the District of Columbia and paid in like manner as other appropriations of the District of Columbia are paid.

Division of ex-  
penses.

Field work appro-  
priations available for  
hire of work animals,  
etc.

SEC. 2. Appropriations herein made for field work under the Office of the Secretary, the General Land Office, the Bureau of Indian Affairs, the Bureau of Reclamation, the Geological Survey, the Bureau of Mines, and the National Park Service shall be available for the hire, with or without personal services, of work animals and animal-drawn and motor-propelled vehicles and equipment.

Short title.

SEC. 3. This Act may be cited as the "Interior Department Appropriation Act, 1939".

Approved, May 9, 1938.

### [CHAPTER 188]

### AN ACT

May 9, 1938

[S. 477]

[Public, No. 498]

To prevent fraud, deception, or other improper practice in connection with business before the United States Patent Office, and for other purposes.

Patent Office.  
Prevention of im-  
proper practice in con-  
nection with business  
before.

R. S. § 487.  
35 U. S. C. § 11.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That it shall be unlawful for any person who has not been duly recognized to practice before the United States Patent Office in accordance with the provisions of section 487 of the Revised Statutes (U. S. C., title 35, sec. 11) and the rules of the Patent Office to hold himself out or knowingly permit himself to be held out as a patent solicitor, patent agent, or patent attorney, or otherwise in any manner hold himself out, either

directly or indirectly, as authorized to represent applicants for patent in their business before the Patent Office, and it shall be unlawful for any person who has, under the authority of section 487 of the Revised Statutes (U. S. C., title 35, sec. 11) been disbarred or excluded from practice before the Patent Office, and has not been reinstated, to hold himself out in any manner whatever as entitled to represent or assist persons in the transaction of business before the Patent Office or any division thereof; and any offense against the foregoing provision shall be a misdemeanor and be punished by a fine of not less than \$50 and not exceeding \$500.

Approved, May 9, 1938.

Persons disbarred and not subsequently reinstated.

Offense a misdemeanor; penalty.

## [CHAPTER 189]

## AN ACT

To permit the issuance of certain certificates under the shipping laws by inspectors of hulls, inspectors of boilers, and designated assistant inspectors.

May 9, 1938

[S. 3351]

[Public, No. 499]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That in the administration of section 13 of the Act of March 4, 1915, as amended (U. S. C., 1934 edition, Supp. III, title 46, sec. 672), the Act of June 23, 1936 (U. S. C., 1934 edition, Supp. III, title 46, sec. 391 (a)), and section 4551 of the Revised Statutes of the United States, as amended (U. S. C., 1934 edition, Supp. III, title 46, sec. 643), any inspector of hulls, any inspector of boilers, and any assistant inspector designated for that purpose by a board of local inspectors may issue certificates of service, certificates of efficiency, tankermen's certificates, continuous-discharge books, and certificates of identification.

Shipping.  
Issuance of certain seamen's certificates by designated inspectors authorized.  
38 Stat. 1169; 49 Stat. 1889; 50 Stat. 49; R. S. § 4551.  
46 U. S. C., Supp. III, §§ 672, 391a, 643.

Approved, May 9, 1938.

## [CHAPTER 190]

## AN ACT

To authorize the Secretary of War to acquire by donation land at or near Fort Missoula, Montana, for target range, military, or other public purposes.

May 9, 1938

[S. 3459]

[Public, No. 500]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of War be, and he is hereby, authorized to accept by donation approximately two thousand seven hundred acres of land at or near Fort Missoula, Montana, for target range, military, or other public purposes: *Provided*, That in the event the donor is unable to perfect or acquire title to any of the land tendered as a donation, condemnation of such land is authorized in the name of the United States and payment of any and all awards for title to such land as is condemned, together with the cost of the suit, shall be made by the donor.

Fort Missoula, Mont.  
Acceptance by donation of land for target, etc., purposes.

*Proviso.*  
Acquisition by eminent domain, if donor unable to perfect title to any portion.

Approved, May 9, 1938.

## [CHAPTER 191]

## AN ACT

To authorize the attendance of the Marine Band at the observance of the seventy-fifth anniversary of the Battle of Gettysburg, to be held at Gettysburg, Adams County, Pennsylvania, on July 1, 2, and 3, 1938.

May 9, 1938

[H. R. 8039]

[Public, No. 501]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the President is authorized to permit the band of the United States Marine Corps to attend and give concerts at the observance of the seventy-fifth anniversary of the Battle of Gettysburg, at Gettysburg, Pennsylvania, on July 1, 2, and 3, 1938.

Battle of Gettysburg.  
Attendance of Marine Band at observance of seventy-fifth anniversary authorized.

Appropriation au-  
thorized.  
*Post*, p. 1142.

*Proviso.*  
Additional allow-  
ance for living expen-  
ses.

SEC. 2. For the purpose of defraying the expenses of such band in attending and giving concerts upon this occasion there is authorized to be appropriated the sum of \$2,500, or so much thereof as may be necessary, to carry out the provisions of this Act: *Provided*, That, in addition to transportation, the leaders and members of the Marine Band be allowed not to exceed \$5 per day each for actual living expenses while on this duty, and that the payment of such expenses shall be in addition to the pay and allowances to which they would be entitled while serving at their permanent station.

Approved, May 9, 1938.

# [CHAPTER 192]

## JOINT RESOLUTION

May 9, 1938  
[S. J. Res. 256]  
[Pub. Res., No. 91]

To amend the joint resolution entitled "Joint resolution making funds available for the control of incipient or emergency outbreaks of insect pests or plant diseases, including grasshoppers, Mormon crickets, and chinch bugs", approved April 6, 1937.

Insect pest and  
plant disease control.

50 Stat. 57.  
Cooperation with  
States for control of  
incipient or emer-  
gency outbreaks.

Authorized expend-  
itures.

Purchases of mate-  
rials and equipment.

R. S. § 3709.  
41 U. S. C. § 5.

State cooperation re-  
quirement.

Indemnities forbid-  
den.

Annual appropria-  
tions authorized.  
*Post*, p. 1126.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the joint resolution entitled "Joint resolution making funds available for the control of incipient or emergency outbreaks of insect pests or plant diseases, including grasshoppers, Mormon crickets, and chinch bugs", approved April 6, 1937, is amended to read as follows: "That the Secretary of Agriculture, in cooperation with authorities of the States concerned, organizations, or individuals, is authorized and directed to apply such methods for the control of incipient or emergency outbreaks of insect pests or plant diseases, including grasshoppers, Mormon crickets, and chinch bugs as may be necessary.

"SEC. 2. Any sums which may be appropriated for such purpose shall be available for expenditure for the employment of persons and means in the District of Columbia and elsewhere, printing, rent outside the District of Columbia, general administration and supervision, surveys, and the purchase, transportation, and application of poison bait or materials and equipment for control of insect pests or plant diseases, including grasshoppers, Mormon crickets, and chinch bugs, and for the preparation of such poison bait or materials for application, and such other expenses as may be necessary.

"SEC. 3. Materials and equipment for the control of such insect pests and plant diseases may be procured with any sums appropriated to carry out the provisions of this joint resolution without regard to the provisions of section 3709 of the Revised Statutes, as amended, and the transportation thereof may be under such conditions and means as shall be determined by the Secretary of Agriculture to be most advantageous.

"SEC. 4. In the discretion of the Secretary of Agriculture, no part of any sums appropriated to carry out the purposes of this joint resolution shall be expended for the control of incipient or emergency outbreaks of insect pests or plant diseases in any State until the State concerned has provided the organization or materials and supplies necessary for cooperation with the Federal Government.

"SEC. 5. No part of the sums hereinafter authorized to be appropriated shall be used to pay the cost or value of farm animals, farm crops, or other property injured or destroyed.

"SEC. 6. There are hereby authorized to be appropriated annually such sums as may be necessary to carry out the provisions of this joint resolution."

Approved, May 9, 1938.

## [CHAPTER 193]

## AN ACT

To provide for the conservation of the fishery resources of the Columbia River, establishment, operation, and maintenance of one or more stations in Oregon, Washington, and Idaho, and for the conduct of necessary investigations, surveys, stream improvements, and stocking operations for these purposes.

May 11, 1938  
[S. 2307]  
[Public, No. 502]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of Commerce is authorized and directed to establish one or more salmon-cultural stations in the Columbia River Basin in each of the States of Oregon, Washington, and Idaho. Any sums appropriated for the purpose of establishing such stations may be expended, and such stations shall be established, operated, and maintained, in accordance with the provisions of the Act entitled "An Act to provide for a five-year construction and maintenance program for the United States Bureau of Fisheries", approved May 21, 1930, insofar as the provisions of such Act are not inconsistent with the provisions of this Act.

Columbia River Basin, fishery conservation.  
Establishment of salmon-cultural stations.  
Use of sums appropriated.

46 Stat. 371.

SEC. 2. The Secretary of Commerce is further authorized and directed (1) to conduct such investigations, and such engineering and biological surveys and experiments, as may be necessary to direct and facilitate conservation of the fishery resources of the Columbia River and its tributaries; (2) to construct, install, and maintain devices in the Columbia River Basin for the improvement of feeding and spawning conditions for fish, for the protection of migratory fish from irrigation projects, and for facilitating free migration of fish over obstructions; and (3) to perform all other activities necessary for the conservation of fish in the Columbia River Basin in accordance with law.

Investigations, surveys, etc., to facilitate conservation of fishery resources.

Protective devices, etc.

Other necessary activities.

SEC. 3. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$500,000, or so much thereof as may be necessary, to carry out the purposes of this Act.

Appropriation authorized.

Approved, May 11, 1938.

## [CHAPTER 194]

## AN ACT

To amend section 6 of the Act approved May 27, 1936 (49 U. S. Stat. L. 1380).

May 11, 1938  
[S. 2986]  
[Public, No. 503]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 6 of the Act of May 27, 1936 (49 Stat. L. 1380), entitled "An Act to provide for a change in the designation of the Bureau of Navigation and Steamboat Inspection, to create a marine casualty investigation board and increase efficiency in administration of the steamboat inspection laws, and for other purposes", is amended to read as follows:

Bureau of Marine Inspection and Navigation.  
49 Stat. 1385.  
46 U. S. C., Supp. III, § 382b.

"SEC. 6. The Secretary of Commerce shall fix a reasonable rate of extra compensation for overtime services of local inspectors of steam vessels and their assistants, United States shipping commissioners and their deputies and assistants, and customs officers and employees, who may be required to remain on duty between the hours of 5 o'clock postmeridian and 8 o'clock antemeridian or on Sundays or holidays to perform services in connection with the inspection of vessels or their equipment, supplying or signing on or discharging crews of vessels on the basis of one-half day's additional pay for each two hours or fraction thereof of at least one hour that the

Local inspectors, etc., extra compensation for overtime services.



Payment; deposit  
into Treasury.

Use of receipts, fiscal  
year 1936.

*Provisos.*  
Disposition of col-  
lections, July 1, 1936,  
and thereafter.

Appropriations au-  
thorized to cover de-  
ficiencies.

Payment due if  
ordered and reporting  
for duty.

Regulation of vary-  
ing working hours.

overtime extends beyond 5 o'clock postmeridian (but not to exceed two and one-half days' pay for the full period from 5 o'clock postmeridian to 8 o'clock antemeridian) and two additional days' pay for Sunday or holiday duty. The said extra compensation for overtime services shall be paid by the master, owner, or agent of such vessel to the local United States collector of customs or his representative who shall deposit such collection into the Treasury of the United States to an appropriately designated receipt account. The amount of the receipts so covered during the fiscal year 1936 is hereby authorized to be appropriated and made available for payment of extra compensation for overtime services to the several employees entitled thereto according to rates fixed therefor by the Secretary of Commerce: *Provided*, That effective July 1, 1936, and thereafter, the amounts of such collections received by the said collector of customs or his representative shall be covered into the Treasury as miscellaneous receipts; and the payments of such extra compensation to the several employees entitled thereto shall be made from the annual appropriations for salaries and expenses of the Bureau: *Provided further*, That to the extent that the annual appropriations, which are hereby authorized to be made from the general fund of the Treasury, are insufficient, there are hereby authorized to be appropriated from the general fund of the Treasury such additional amounts as may be necessary, to the extent that the amounts of such receipts are in excess of the amounts appropriated: *Provided further*, That such extra compensation shall be paid if such officers or employees have been ordered to report for duty and have so reported, whether the actual inspection of the vessel or her equipment, or the supplying, or signing on, or discharging crews takes place or not: *And provided further*, That in those ports where customary working hours are other than those hereinabove mentioned, the local inspectors of steam vessels, United States shipping commissioners, or collectors of customs, as the case may be, are vested with authority to regulate the hours of such employees so as to agree with prevailing working hours in said ports, but nothing contained in this proviso shall be construed in any manner to alter the length of a working day for the local inspectors, their assistants, the United States shipping commissioners and their deputies and assistants, or customs officers and employees, or the overtime pay herein fixed."

Approved, May 11, 1938.

#### [CHAPTER 195]

#### AN ACT

May 11, 1938  
[H. R. 9286]  
[Public, No. 504]

To extend the time for completing the construction of a bridge across the Ohio River at or near Cairo, Illinois.

Ohio River.  
Time extended for  
bridging, at Cairo, Ill.

48 Stat. 577; 49  
Stat. 155.

Commencement of  
construction recog-  
nized.

Amendment.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the time for completing the construction of the bridge across the Ohio River at or near Cairo, Illinois, authorized to be built by the Cairo Bridge Commission by the Act of Congress approved April 13, 1934, and heretofore extended by the Act of Congress approved April 12, 1935, is hereby further extended one year from April 13, 1938. It is hereby recognized that construction has been heretofore commenced under the provisions of and in accordance with said Act approved April 13, 1934, as extended.

SEC. 2. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, May 11, 1938.

## [CHAPTER 197]

## AN ACT

To facilitate the control of soil erosion and flood damage originating upon lands within the exterior boundaries of the Cache National Forest in the State of Utah.

May 11, 1938

[S. 2221]

[Public, No. 505]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of Agriculture, with the approval of the National Forest Reservation Commission established by section 4 of the Act of March 1, 1911 (U. S. C., title 16, sec. 513), is hereby authorized to acquire by purchase any lands within the boundaries of the Cache National Forest in the State of Utah which, in his judgment, should become the property of the United States in order that they may be so managed with other lands of the United States as to minimize soil erosion and flood damage; and to pay for said lands that proportion of the entire receipts from the sale of natural resources, other than mineral, and the occupancy of publicly owned lands within said national forest which is equal to that proportion of the gross area of said national forest situated in the State of Utah hereby is authorized to be appropriated for expenditure for that purpose by the Secretary of Agriculture until said lands have been acquired. So far as the State of Utah may be concerned, the provisions of the Acts of May 23, 1908 (35 Stat. 260); section 500, title 16, United States Code, of March 4, 1913 (37 Stat. 843); and section 501, title 16, United States Code, shall be inoperative in relation to the receipts so appropriated, but nothing herein contained shall diminish payments to or expenditures within the State of Idaho under the provisions of said Acts.

Approved, May 11, 1938.

Cache National Forest, Utah.  
Acquisition of lands for control of soil erosion and flood damage.  
36 Stat. 962.  
16 U. S. C. § 513.

Funds available for payment.

Designated provisions inoperative in Utah.  
35 Stat. 260; 37 Stat. 843.  
16 U. S. C. §§ 500, 501.  
Payments and expenditures within Idaho.

## [CHAPTER 198]

## AN ACT

To regulate the leasing of certain Indian lands for mining purposes.

May 11, 1938

[S. 2689]

[Public, No. 506]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That hereafter unallotted lands within any Indian reservation or lands owned by any tribe, group, or band of Indians under Federal jurisdiction, except those hereinafter specifically excepted from the provisions of this Act, may, with the approval of the Secretary of the Interior, be leased for mining purposes, by authority of the tribal council or other authorized spokesmen for such Indians, for terms not to exceed ten years and as long thereafter as minerals are produced in paying quantities.

SEC. 2. That leases for oil- and/or gas-mining purposes covering such unallotted lands shall be offered for sale to the highest responsible qualified bidder, at public auction or on sealed bids, after notice and advertisement, upon such terms and subject to such conditions as the Secretary of the Interior may prescribe. Such advertisement shall reserve to the Secretary of the Interior the right to reject all bids whenever in his judgment the interest of the Indians will be served by so doing, and if no satisfactory bid is received, or the accepted bidder fails to complete the lease, or the Secretary of the Interior shall determine that it is unwise in the interest of the Indians to accept the highest bid, said Secretary may readvertise such lease for sale, or with the consent of the tribal council or other governing tribal authorities, a lease may be made by private negotiations: *Provided*, That the foregoing provisions shall in no manner restrict the right of tribes organized and incorporated under sections 16 and

Indian lands.  
Leasing of unallotted lands for mining purposes.

Exception.

Terms of lease.

Public sales of leases; terms and conditions.

Rights reserved.

Readvertisement for sale.

Private negotiations.

*Proviso.*  
Designated rights of Indians not restricted.

48 Stat. 987, 988.  
25 U. S. C. §§ 476,  
477.

Corporate surety  
bonds to be furnished  
by lessees.

*Proviso.*  
Acceptance of per-  
sonal surety bonds.

Operations; rules  
and regulations.

Cooperative unit,  
etc., plans.

Delegation of au-  
thority to approve  
leases.

Specified sections  
not to apply to lands  
designated.

Inconsistent pro-  
visions repealed.

17 of the Act of June 18, 1934 (48 Stat. 984), to lease lands for mining purposes as therein provided and in accordance with the provisions of any constitution and charter adopted by any Indian tribe pursuant to the Act of June 18, 1934.

SEC. 3. That hereafter lessees of restricted Indian lands, tribal or allotted, for mining purposes, including oil and gas, shall furnish corporate surety bonds, in amounts satisfactory to the Secretary of the Interior, guaranteeing compliance with the terms of their leases: *Provided*, That personal surety bonds may be accepted where the sureties deposit as collateral with the said Secretary of the Interior any public-debt obligations of the United States guaranteed as to principal and interest by the United States equal to the full amount of such bonds, or other collateral satisfactory to the Secretary of the Interior, or show ownership to unencumbered real estate of a value equal to twice the amount of the bonds.

SEC. 4. That all operations under any oil, gas, or other mineral lease issued pursuant to the terms of this or any other Act affecting restricted Indian lands shall be subject to the rules and regulations promulgated by the Secretary of the Interior. In the discretion of the said Secretary, any lease for oil or gas issued under the provisions of this Act shall be made subject to the terms of any reasonable cooperative unit or other plan approved or prescribed by said Secretary prior or subsequent to the issuance of any such lease which involves the development or production of oil or gas from land covered by such lease.

SEC. 5. That the Secretary of the Interior may, in his discretion, authorize superintendents or other officials in the Indian Service to approve leases for oil, gas, or other mining purposes covering any restricted Indian lands, tribal or allotted.

SEC. 6. Sections 1, 2, 3, and 4 of this Act shall not apply to the Papago Indian Reservation in Arizona, the Crow Reservation in Montana, the ceded lands of the Shoshone Reservation in Wyoming, the Osage Reservation in Oklahoma, nor to the coal and asphalt lands of the Choctaw and Chickasaw Tribes in Oklahoma.

SEC. 7. All Act <sup>1</sup> or parts of Acts inconsistent herewith are hereby repealed.

Approved, May 11, 1938.

#### [CHAPTER 199]

#### AN ACT

May 12, 1938  
[S. 1998]  
[Public, No. 507]

To amend the Act entitled "An Act to provide for the collection and publication of statistics of peanuts by the Department of Agriculture", approved June 24, 1936.

Peanuts.  
Collection and pub-  
lication of statistics.  
49 Stat. 1898.  
7 U. S. C., Supp.  
III, § 951.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the first sentence of the first section of the Act entitled "An Act to provide for the collection and publication of statistics of peanuts by the Department of Agriculture", approved June 24, 1936, is amended to read as follows: "That the Secretary of Agriculture is hereby authorized and directed to collect and publish statistics of raw peanuts, shelled, unshelled, and crushed, and peanut oil, in the United States, received, processed, shipped, and owned by or in the possession of warehousemen, brokers, cleaners, shellers, dealers, growers' cooperative associations, crushers, salters, manufacturers of peanut products, and owners other than the original producers of peanuts: *Provided*, That the Secretary may, in his discretion, omit for any period of time to collect such statistics from any or all salters of peanuts or manufacturers

*Proviso.*  
Salters or manufac-  
turers using less than  
30,000 pounds.

<sup>1</sup> So in original.

of peanut products who used, during the calendar year preceding that for which statistics are being collected, less than thirty thousand pounds of shelled and unshelled peanuts."

SEC. 2. That section 2 of such Act of June 24, 1936, is amended to read as follows: "The Secretary is hereby authorized and directed to collect and publish statistics of the quantity of peanuts picked or threshed by any person owning or operating peanut picking or threshing machines."

SEC. 3. That the first sentence of section 3 of such Act of June 24, 1936, is amended to read as follows: "It shall be the duty of every warehouseman, broker, cleaner, sheller, dealer, growers' cooperative association, crusher, salter, manufacturer of peanut products, and owner or operator of peanut picking or threshing machines to furnish promptly upon request of the Secretary, within the time prescribed by him, completely and correctly to the best of his knowledge, a report of the quantity of peanuts and peanut oil received, processed, shipped, and owned by or on hand and in the case of an operator of peanut picking and threshing machines the quantity picked or threshed, segregating in accordance with forms furnished for the purpose by the Secretary."

Approved, May 12, 1938.

Picking or threshing machines.  
Publication of statistics of quantity picked, etc.  
49 Stat. 1899.  
7 U. S. C., Supp. III, § 952.

Reports; by whom made.  
49 Stat. 1899.  
7 U. S. C., Supp. III, § 953.

#### [CHAPTER 200]

#### AN ACT

To amend the Act entitled "An Act to establish a Civilian Conservation Corps, and for other purposes", approved June 28, 1937.

May 12, 1938  
[H. R. 9415]  
[Public, No. 508]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 8 of the Act entitled "An Act to establish a Civilian Conservation Corps, and for other purposes", approved June 28, 1937 (50 Stat. 319), is amended by adding after the words "three cooks," wherever they appear in such section the following: "five project assistants,".

Civilian Conservation Corps.  
50 Stat. 320.  
16 U. S. C., Supp. III, § 584g.  
Enrollment of 5 project assistants for each company.

SEC. 2. Section 8 of such Act is further amended by striking out the period at the end thereof and inserting a colon and the following: "Provided further, That any enrollee may be discharged for the convenience of the Government within thirty days prior to the expiration of his period of enrollment."

Discharge prior to expiration of enrollment.

Approved, May 12, 1938.

#### [CHAPTER 204]

#### JOINT RESOLUTION

Making available additional funds for the United States Constitution Sesquicentennial Commission.

May 13, 1938  
[H. J. Res. 623]  
[Pub. Res., No. 92]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That for an additional amount for the United States Constitution Sesquicentennial Commission to carry out the provisions of the public resolution entitled "Joint resolution to enable the United States Constitution Sesquicentennial Commission to carry out and give effect to certain approved plans, and for other purposes", approved June 1, 1936 (49 Stat. 1392), as amended by the public resolution entitled "Joint resolution to authorize an additional appropriation to further the work of the United States Constitution Sesquicentennial Commission", approved August 19, 1937 (50 Stat. 694), there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum

United States Constitution Sesquicentennial Commission.  
Additional funds made available for expenses of.

49 Stat. 1392; 50 Stat. 694.

Amount appropriated from sale of publications, etc.; availability.

of \$50,000, to remain available until June 30, 1939. Not to exceed \$155,000 of the sums heretofore and hereafter received by the Commission from the sale of publications and other material are hereby appropriated for the payment of the obligations of the said Commission now outstanding and for the sale of such publications and material as are now on hand, this fund to remain available until June 30, 1939, and to be available for the payment of obligations heretofore incurred for such purposes and for personal services in connection with the sale of such publications and other material.

Approved, May 13, 1938.

#### [CHAPTER 205]

#### JOINT RESOLUTION

May 13, 1938  
[H. J. Res. 636]  
[Pub. Res., No. 93]

To authorize an appropriation for the expenses of participation by the United States in the Fourth International Conference on Private Air Law.

Fourth International Conference on Private Air Law.  
Appropriation authorized for participation expenses.  
*Post*, p. 1147.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$15,500, or so much thereof as may be necessary, for the expenses of participation by the United States in the Fourth International Conference on Private Air Law, to be held in Belgium, or elsewhere in Europe, during the fiscal year 1939, including personal services in the District of Columbia and elsewhere, without reference to the Classification Act of 1923, as amended; stenographic reporting, translating, and other services, by contract if deemed necessary, without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); rent; traveling expenses; purchase of necessary books, documents, newspapers, and periodicals; official cards; printing and binding; entertainment; local transportation; and such other expenses as may be authorized by the Secretary of State, including the reimbursement of other appropriations from which payment may have been made for any of the purposes herein specified.

Approved, May 13, 1938.

Personal services.

Contracts without advertising.  
R. S. § 3709.  
41 U. S. C. § 5.

Reimbursement of other appropriations.

#### [CHAPTER 209]

#### AN ACT

May 13, 1938  
[H. R. 10085]  
[Public, No. 509]

To authorize the payment of an indemnity to the Norwegian Government in full and final satisfaction of all claims based on the detention and treatment of the crew of the Norwegian steamer Sagatind subsequent to the seizure of this vessel by the United States Coast Guard cutter Seneca on October 12, 1924.

Norwegian Government.  
Payment to, as indemnity for detention, etc., of crew of steamer Sagatind.

Appropriation authorized.  
*Post*, p. 1147.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of the Treasury be, and he is hereby, directed to pay to the Norwegian Government, as an act of grace and without reference to the question of legal liability, the sum of \$5,000, in full and final settlement of all claims for reimbursement on account of the detention and treatment of the crew of the Norwegian steamer Sagatind subsequent to the seizure of this vessel by the United States Coast Guard cutter Seneca on October 12, 1924; and there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, a sufficient sum to carry out the purposes of this Act.

Approved, May 13, 1938.

## [CHAPTER 210]

## AN ACT

Making the 11th day of November in each year a legal holiday.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the 11th day of November in each year, a day to be dedicated to the cause of world peace and to be hereafter celebrated and known as Armistice Day, is hereby made a legal public holiday to all intents and purposes and in the same manner as the 1st day of January, the 22d day of February, the 30th day of May, the 4th day of July, the first Monday of September, and Christmas Day are now made by law public holidays.

Approved, May 13, 1938.

May 13, 1938

[H. R. 6656]

[Public, No. 510]

November 11 of  
each year made a legal  
holiday.

## [CHAPTER 211]

## AN ACT

To ratify and confirm Act 23 of the Session Laws of Hawaii, 1937, extending the time within which revenue bonds may be issued and delivered under Act 174 of the Session Laws of Hawaii, 1935.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That Act 23 of the Session Laws of Hawaii, 1937, amending section 17 of Act 174 of the Session Laws of Hawaii, 1935, so as to extend the time within which revenue bonds may be issued and delivered under said Act 174 is hereby ratified and confirmed and revenue bonds may be issued under and pursuant to the provisions of said Act 174 of the Session Laws of Hawaii, 1935, as amended by said Act 23, without the approval of the President of the United States and without the incurring of an indebtedness within the meaning of the Hawaiian Organic Act, and said Act 174, as amended by said Act 23, shall constitute full authority for the issuance of said bonds without reference to and independent of the Hawaiian Organic Act.

Approved, May 13, 1938.

May 13, 1938

[H. R. 8403]

[Public, No. 511]

Hawaii.  
Ratification of Act  
extending time for  
issuance of certain  
revenue bonds.

48 U. S. C., ch. 3;  
Supp. III, ch. 3.

## [CHAPTER 212]

## AN ACT

To amend section 2 of the Act to incorporate The Howard University.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 2 of the Act to incorporate The Howard University in the District of Columbia, approved March 2, 1867 (14 Stat. 438), is amended to read as follows:

"SEC. 2. That Samuel C. Pomeroy, Charles B. Boynton, Oliver O. Howard, Burton C. Cook, Charles H. Howard, James B. Hutchinson, Henry A. Brewster, Benjamin F. Morris, Danforth B. Nichols, William G. Finney, Roswell H. Stevens, E. M. Cushman, Hiram Barbour, E. W. Robinson, W. F. Bascom, J. B. Johnson, and Silas L. Loomis be, and they are hereby, declared to be a body politic and corporate, with perpetual succession in deed or in law to all intents and purposes whatsoever, by the name, style, and title of "The Howard University", by which name and title they and their successors shall be competent, at law and in equity, to take to themselves and their successors, for the use of said university, any estate whatsoever in any messuage, lands, tenements, hereditaments, goods, chattels, notes, bonds, stocks, moneys, and other effects, by gift, devise, grant, donation, bargain, sale, conveyance, assurance, or will; and the same to

May 13, 1938

[H. R. 9042]

[Public, No. 512]

The Howard Uni-  
versity, District of  
Columbia.  
14 Stat. 438.

Incorporators.

Corporate name and  
powers.

grant, bargain, sell, transfer, assign, convey, assure, demise, declare to use and farm let and to place out on interest, for the use of said university, in such manner as to them, or a majority of them, shall be deemed most beneficial to said institution; and to receive the same, their rents, issues and profits, income, dividends, and interests, and to apply the same for the proper use and benefit of said university; and by the same name to sue and be sued, to implead and be impleaded, in any courts of law and equity, in all manner of suits, actions, and proceedings whatsoever, and generally by and in the same name to do and transact all and every the<sup>1</sup> business touching or concerning the premises."

Approved, May 13, 1938.

[CHAPTER 213]

AN ACT

May 13, 1938  
[H. R. 9526]  
[Public, No. 513]

To amend the Act of May 27, 1908, authorizing settlement of accounts of deceased officers and enlisted men of the Navy and Marine Corps.

Coast Guard and  
Public Health Service.  
Settlement of accounts of deceased officers and men.  
35 Stat. 373.  
34 U. S. C. § 941.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act of May 27, 1908 (35 Stat. 373; U. S. C., 1934 edition, title 34, sec. 941), is hereby amended by inserting in line 34, page 373, Thirty-fifth Statutes at Large, after the words "Marine Corps" the words "Coast Guard, and of deceased commissioned officers of the Public Health Service".

Approved, May 13, 1938.

[CHAPTER 214]

AN ACT

May 13, 1938  
[H. R. 9725]  
[Public, No. 514]

To liberalize the provisions of existing laws governing death-compensation benefits for widows and children of World War veterans, and for other purposes.

World War veterans.  
Death compensation benefits for widows and children of.  
48 Stat. 1281; 49 Stat. 2031; 50 Stat. 660.  
38 U. S. C. §§ 503-507; Supp. III, § 471, 472a-472e, 506-510, 512c.

*Proviso.*  
Commencement of payments.  
50 Stat. 661.  
38 U. S. C., Supp. III, § 472d.

48 Stat. 1282; 50 Stat. 660.  
38 U. S. C., Supp. III, § 506.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That notwithstanding the provisions of Public Law Numbered 484, Seventy-third Congress, June 28, 1934 (U. S. C., title 38, secs. 503-507), as amended by section 1, Public Law Numbered 844, Seventy-fourth Congress, June 29, 1936 (U. S. C., title 38, sec. 508), and section 1, Public Law Numbered 304, Seventy-fifth Congress, August 16, 1937 (U. S. C., title 38, sec. 509), in no event shall the widow, child, or children otherwise entitled to compensation under the provisions of that Act be denied such compensation if the veteran's death resulted from a disease or disability not service connected, and at the time of the veteran's death he was receiving or entitled to receive compensation, pension, or retirement pay for 10-per-centum disability or more presumptively or directly incurred in or aggravated by service in the World War: *Provided*, That except as provided in section 6 of Public Law Numbered 304, Seventy-fifth Congress, August 16, 1937 (U. S. C., title 38, sec. 472d), compensation authorized by this section shall not be payable effective prior to the receipt of application therefor in the Veterans' Administration in such form as the Administrator of Veterans' Affairs may prescribe, but in no event shall compensation herein authorized be effective prior to the date of enactment of this Act.

SEC. 2. Section 4 of Public Law Numbered 484, Seventy-third Congress, June 28, 1934, as amended by section 2 of Public Law Numbered 304, Seventy-fifth Congress, August 16, 1937 (U. S. C., title 38, sec. 506), is hereby amended to read as follows:

<sup>1</sup> So in original.

"SEC. 4. For the purpose of awarding compensation under the provisions of this Act, as amended, service connection of disability and degree thereof at date of death may be determined in any case where claim has been or is filed by the widow, child, or children of a deceased World War veteran, except that proof of 10-per-centum disability or more at date of death and evidence as to service connection may be filed at any time after date of enactment of this Act, or the date of death, and evidence required in connection with any claim must be submitted in accordance with regulations prescribed by the Administrator of Veterans' Affairs."

SEC. 3. On and after the date of enactment of this Act for the purpose of payment of compensation under the laws administered by the Veterans' Administration, the term "widow of a World War veteran" shall mean a woman who was married prior to the date of enactment of this Act to the person who served: *Provided*, That all marriages shall be proven as valid marriages according to the law of the place where the parties resided at the time of marriage or the law of the place where the parties resided when the right to compensation accrued. Compensation shall not be allowed a widow who has remarried either once or more than once, and where compensation is properly discontinued by reason of remarriage it shall not thereafter be recommenced. No compensation shall be paid to a widow unless there was continuous cohabitation with the person who served from the date of marriage to date of death, except where there was a separation which was due to the misconduct of or procured by the person who served, without the fault of the widow.

SEC. 4. Sections 1 and 4 of Public Law Numbered 304, Seventy-fifth Congress, August 16, 1937 (U. S. C., title 38, secs. 509 and 472c, respectively), are hereby repealed.

Approved, May 13, 1938.

Determination of service connection of disability, etc.

Exception.

Evidence.

"Widow of a World War veteran" defined.

*Provido*.  
Proof of marriage.

Remarriage.

Continuous cohabitation requirement.

Sections repealed.  
50 Stat. 660.  
38 U. S. C., Supp.  
III, §§ 509, 472c.

# [CHAPTER 215]

## AN ACT

To improve the efficiency of the Lighthouse Service, and for other purposes.

May 13, 1938  
[H. R. 9973]  
[Public, No. 515]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That in all appropriations hereafter made for "General Expenses Lighthouse Service" there is authorized to be made available not exceeding \$1,500 in any fiscal year, under rules prescribed by the Secretary of Commerce, for paying the actual and necessary traveling expenses of new appointees from ports of embarkation in the United States to first post of duty at isolated light stations, in districts outside the continental limits of the United States.

Lighthouse Service.  
Payment of traveling expenses, new appointees in districts outside continental limits of United States.

SEC. 2. That in all appropriations hereafter made for "General Expenses, Lighthouse Service" there is authorized to be made available not exceeding \$2,500 in any fiscal year, for the transportation, under regulations prescribed by the Secretary of Commerce, of the children of lighthouse keepers at isolated light stations where necessary to enable such children to attend school.

Children of certain lighthouse keepers, school transportation.

SEC. 3. Money accruing from commutation of rations and provisions for working parties in the field, officers and crews of light vessels and tenders, and officials and other authorized persons on board of such tenders or vessels, after payment on proper vouchers to the officer in charge of the mess of such vessel or party, as provided by law, may be expended and accounted for pursuant to regulations prescribed by the Secretary of Commerce, notwithstanding the provisions of the Act of June 26, 1934 (48 Stat. 1233).

Use of moneys accruing from commutation of rations.

Approved, May 13, 1938.

48 Stat. 1233.  
31 U. S. C. § 725s.



## [CHAPTER 219]

## AN ACT

May 16, 1938  
[H. R. 9760]  
[Public, No. 516]

To amend the Act of March 2, 1899, as amended, to authorize the Secretary of War to permit allotments from the pay of military personnel and permanent civilian employees under certain conditions.

Army.  
Allotments of pay  
by military and cer-  
tain civilian personnel.  
30 Stat. 981.  
10 U. S. C. § 894.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the first sentence of section 16, Act of Congress approved March 2, 1899, as amended (10 U. S. C. 894), be, and the same is hereby, further amended to read as follows: "The Secretary of War is authorized to permit officers, members of the Army Nurse Corps, contract surgeons, and enlisted men of the Army, active or retired, and also permanent civilian employees on duty in Alaska or outside of the continental limits of the United States, to make allotments from their pay, under such regulations as he may prescribe, for the support of their families or relatives or for other proper purposes which in his discretion warrant such action."

Approved, May 16, 1938.

## [CHAPTER 220]

## AN ACT

May 16, 1938  
[H. R. 9764]  
[Public, No. 517]

To authorize an appropriation for reconstruction at Fort Niagara, New York, to replace loss by fire.

Fort Niagara, N. Y.  
Appropriation au-  
thorized for recon-  
struction of bar-  
racks buildings.  
Post, p. 651.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$75,000, or so much thereof as may be necessary, for the purpose of reconstructing and repairing at Fort Niagara, New York, barracks buildings designated as 50 N and 50 S, destroyed by fire March 4, 1938.

Approved, May 16, 1938.

## [CHAPTER 222]

## AN ACT

May 16, 1938  
[H. R. 9784]  
[Public, No. 518]

To authorize an appropriation to aid in defraying the expenses of the observance of the seventy-fifth anniversary of the Battle of Gettysburg, to be held at Gettysburg, Pennsylvania, from June 29, to July 6, 1938, and for other purposes.

Battle of Gettys-  
burg, anniversary.  
Appropriation au-  
thorized for observ-  
ance expenses.  
49 Stat. 1916.  
Post, p. 1154.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such amount of money as may be necessary to accomplish the purpose of the joint resolution approved June 24, 1936. In carrying into effect the provisions of the joint resolution of Congress of June 24, 1936, the commission is authorized to do all things necessary to accomplish the purposes described by contract or otherwise with or without advertising, including the engagement by contract or otherwise of such personal services as may be necessary without regard to civil-service requirements and restrictions of laws governing the employment and compensation of employees of the United States. Any appropriations for carrying this Act into effect shall be available for the payment in advance of the cost of transportation and such per diem allowance in lieu of subsistence and other traveling expenses as may be prescribed by the commission for the travel of veterans and attendants.

Advance payment  
of transportation  
costs, etc.

Authorized expend-  
itures.

SEC. 2. The money herein authorized to be appropriated shall be expended under the direction of the commission appointed pursuant

to the provisions of the joint resolution referred to in section 1 for the following purposes: To defray the necessary expenses of the commission in the performance of its duties, and any and all expenses incident to participation by the War Department and the Regular Army in the observance of the anniversary of the Battle of Gettysburg at Gettysburg, Pennsylvania, which participation is hereby authorized, including the expense of transportation or other movement to and from Gettysburg of individuals, troops, tentage, supplies, and equipment, and the cost of ammunition and other material expended or used incident to participation of the Army in the commemoration, including the cost of renovation or repair of material so used.

Participation by War Department, etc.

SEC. 3. The commission referred to in section 2 of this Act is authorized to invite, in the name of the United States, surviving veterans, Union and Confederate, of the Civil War to reunite at Gettysburg during the commemoration, and to furnish transportation requests for travel of said veterans and attendants, in such manner as the commission may determine, or reimbursement in lieu thereof, and such per diem as may be prescribed by the commission. When rail or other commercial transportation is furnished by means of Government transportation requests, such transportation requests shall be issued over the shortest usually traveled route as determined by the commission. If travel is performed without the use of a transportation request, reimbursement shall be made in an amount equal to that which the travel of said veteran and attendant would have cost the Government if transportation in kind had been furnished at the commercial cost thereof. No veteran shall be provided for at Government expense in Gettysburg for a longer period than duration of the commemoration, except in the case of illness or other causes which prevent the return of the veteran to his home at the end of the period of commemoration. In the event of death while engaged upon the commemoration or en route thereto or therefrom the United States shall pay the cost of the preparation of the body for burial (that is, including the cost of a suitable casket) and transportation of same with escort to the home of the deceased.

Surviving Union and Confederate veterans to be invited; expenses.

Restriction.

Care in event of death.

Funds available in event of deficiency.

Loan of certain Army equipment.

SEC. 4. In the event that the appropriation from the State of Pennsylvania for the care of the veterans at Gettysburg is determined by the commission to be insufficient to care properly and adequately for the veterans while at Gettysburg the commission may apply to this purpose such funds from the appropriations which may be made under this authority as in its judgment are required therefor. The Secretary of War is authorized to lend to the State of Pennsylvania such property, including cots, blankets, and cooking and other equipment, under the jurisdiction of the War Department as may be available and necessary to provide for the care of veterans as above provided, and the money authorized to be appropriated herein shall be available to pay for any loss of or damage to such property and the cost of transportation and of repair or renovation thereof.

SEC. 5. The Chief of Finance of the Army is hereby designated, empowered, and directed to act as the fiscal agent of the commission in carrying out the provisions of this Act.

Fiscal agent.

SEC. 6. The money authorized to be appropriated by the Act shall be available for all expenditures necessary to enable the commission to perform its duties, including but not restricted to the employment of clerical and other necessary personnel, professional or otherwise; the purchase of supplies and equipment; the leasing of land and the erection thereon of temporary buildings; the providing of lights, water, sanitation, and other necessary services at Gettysburg to such United States troops as may take part in the commemoration; and

Additional authorized expenditures.

Settlement of damage claims.

Delegation of functions to Secretary of War.

Determination of status as a veteran.

Availability of appropriation.

Disposal of material, etc., at close.

Restoration of leased real estate.

Administrative regulations.

all other proper expenditures incident to carrying out the purposes of the Act, including the settlement of claims (not exceeding \$500 each) for damage to or loss of private property resulting from the operations of the commission or its agents.

SEC. 7. The Secretary of War is authorized to undertake, at the request of the commission, such of its functions as it may delegate. The money herein authorized to be appropriated shall be available for the payment of any additional expense to the War Department caused by its operations for the commission, including the salaries of temporary employees.

SEC. 8. The decision of the commission as to the status as a veteran of anyone who is invited as such to attend the reunion at Gettysburg shall be final and conclusive.

SEC. 9. The money herein authorized to be appropriated shall be available for expenditure from and after the date of approval of the Act appropriating it and shall remain available until all obligations of the commission and its agencies have been satisfied.

SEC. 10. When the necessity for its use terminates, all property acquired by the commission shall be delivered to such depots or other installations as the Secretary of War shall designate, to be disposed of in accordance with laws and regulations relating to military property. Real estate, which may be leased to further the purposes of the commission, shall be restored as nearly as possible to its original condition when it is no longer required.

SEC. 11. The commission shall promulgate regulations governing the execution of this Act.

Approved, May 16, 1938.

#### [CHAPTER 223]

#### AN ACT

To amend the District of Columbia Revenue Act of 1937, and for other purposes.

May 16, 1938  
[H. R. 10066]  
[Public, No. 519]

District of Columbia Revenue Act of 1937, amendments.  
50 Stat. 673.

Collection of personal property taxes.  
Ascertainment of correctness of return, etc.

Examinations, testimony, etc.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) section 1 of title I of the District of Columbia Revenue Act of 1937 is amended to read as follows:

"SEC. 1. The assessor of the District of Columbia or any person designated by him for the purpose of ascertaining the correctness of any return of personal property, tangible or intangible, for taxation or for the purpose of making a return where none has been made, is authorized to examine any books, papers, records, or memoranda of any person bearing upon the matters required to be included in the return and may summon any person to appear before him and produce books, records, papers, or memoranda bearing upon the matters required to be included in the return and to give testimony or answer interrogatories under oath respecting the same, and the assessor, or assistant assessor, shall have power to administer oaths to such person or persons. Such summons may be served by any member of the Metropolitan Police Department. If any person, having been personally summoned, shall neglect or refuse to obey the summons issued as herein provided, then in that event the assessor, or any assistant assessor, may report that fact to the District Court of the United States for the District of Columbia, or one of the justices thereof, and said court or any justice thereof hereby is empowered to compel obedience to said summons to the same extent as witnesses may be compelled to obey the subpoenas of

that court. Any person in custody or control of any books, papers, records, or memoranda bearing upon the matters required to be included in such returns, who shall refuse to permit the examination by the assessor or any person designated by him of any such books, papers, records, or memoranda, or who shall obstruct or hinder the assessor or any person designated by him in the examination of any books, papers, records, or memoranda, shall upon conviction thereof be fined not more than \$300. All prosecutions under this section shall be brought in the police court of the District of Columbia on information by the corporation counsel of the District of Columbia in the name of the District of Columbia."

(b) Section 8 of title I of said Act is amended to read as follows:

"SEC. 8. Taxes on property reported in any return filed by a taxpayer shall be assessed within two years after the filing of such return; and such taxes may be collected by distraint or by proceeding in court within three years after the date of the assessment of such taxes. In the case of a false or incorrect return, whether in good faith or otherwise, or of a failure to file a return within the time prescribed by law or of a failure to include taxable property or assets belonging to the taxpayer in any return filed by such taxpayer, whether in good faith or otherwise, the tax may be assessed at any time, and the tax may be collected by distraint or by proceeding in court within three years after the assessment of such tax."

(c) Title I of such Act is further amended by adding after section 9 thereof the following new sections:

"SEC. 10. Any person required to file a return or schedule, by the terms of an Act entitled 'An Act making appropriation<sup>1</sup> to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes', approved July 1, 1902, as amended, who shall fail or refuse to file the same within the time required by said Act as amended shall, upon conviction thereof, be fined not more than \$300 for each and every failure or refusal and each and every day that such failure or refusal continues shall constitute a separate and distinct offense. All prosecutions under this section shall be brought in the police court of the District of Columbia on information by the corporation counsel of the District of Columbia in the name of the District of Columbia. The penalty herein provided shall be in addition to the other penalties provided in said Act of July 1, 1902, as amended.

"SEC. 11. As used in this title—

"(a) The term 'person' includes any individual, firm, copartnership, joint adventure, association, corporation (domestic or foreign), trust, trustee, estate, or receiver.

"(b) The term 'return' means any return required to be filed by this title.

"SEC. 12. Except in accordance with proper judicial order and as otherwise provided by law, it shall be unlawful for the Commissioners of the District of Columbia or any persons having an administrative duty under this title to divulge or make known in any manner any information contained in any return required under this title. The persons charged with the custody of such returns shall not be required to produce any of them in any action or proceeding in any court except on behalf of the United States or the District of Columbia or on behalf of any party to any action or proceeding under the provisions of this title, when the returns or facts shown thereby are directly involved in such action or proceeding, in either of which events the

Refusal to permit examination; penalty.

Jurisdiction.

50 Stat. 675.

Assessment and collection, time limitation.

In case of a false or incorrect return, etc.

50 Stat. 675.

Penalty for failure to make return of personal property for taxation.

32 Stat. 590.

Jurisdiction of court.

Penalties.

Definition of terms.

"Person."

"Return."

Secrecy of return.

<sup>1</sup> So in original.

Furnishing taxpayer with copy of his return.

Publication of statistics.

Official inspection.

Penalty for violation.

50 Stat. 676.

Tax rate on insurance companies.

In lieu of other taxes; exceptions.

"Net premium receipts or consideration received" defined.

Marine insurance excluded.

42 Stat. 401.

Motor vehicle fuel tax Act, amendment.

43 Stat. 106; 50 Stat. 677.

Term "highways" defined.

43 Stat. 106; 50 Stat. 677.

"Improvement" defined.

court may require the production of and may admit in evidence so much of such returns or the facts shown thereby as are pertinent to the action or proceeding, and no more. Nothing herein contained shall be construed to prohibit the delivery to a taxpayer or his duly authorized representative of a certified copy of any return filed by him in connection with his tax, nor prohibit the publication of statistics so classified as to prevent the identification of particular returns and the items thereof, or the inspection by the corporation counsel of the District of Columbia or any of his assistants of the return of any taxpayer who shall bring action to set aside or review the tax based thereon, or against whom an action or proceeding has been instituted for the collection of a tax or penalty and failure to file any return or schedule required by law. Any violator of the provisions of this section shall be subject to the punishment provided by section 10 of this title."

SEC. 2. Section 6 of title II of such Act is amended to read as follows:

"SEC. 6. All such companies, including companies which issue annuity contracts, shall also pay to the collector of taxes of the District of Columbia a sum of money as taxes equal to 2 per centum of their policy and membership fees and net premium receipts or consideration received on all insurance and annuity contracts on risks in the District of Columbia, said taxes to be paid before the 1st day of March of each year on the amount of such income for the year ending December 31, next preceding. Such tax shall be in lieu of all other taxes except (1) taxes upon real estate and (2) fees and charges provided for by the insurance laws of the District including amendments made to such laws by this title.

"Net premium receipts or consideration received" means gross premiums or consideration received less the sum of the following:

"1. Premiums received for reinsurance assumed and premiums or consideration returned on policies or contracts canceled or not taken.

"2. Dividends paid in cash or used by the policyholders in payment of renewal premiums.

"Nothing contained in this section or in section 1 or 7 of this title shall apply with respect to marine insurance written within the said District and reported, taxed, and licensed under the provisions of the Act entitled 'An Act to regulate marine insurance in the District of Columbia, and for other purposes', approved March 4, 1922, as amended."

SEC. 3. (a) Section 2 of the Act of Congress entitled "An Act to provide for a tax on motor vehicle fuels sold within the District of Columbia and for other purposes", approved April 23, 1924, as amended by paragraph B of section 2 of title III of the District of Columbia Revenue Act of 1937, is amended by striking out subparagraph (f) and substituting in lieu thereof the following:

"(f) The term 'highways' means the right-of-way of streets, avenues, and roads, bridges, viaducts, underpasses, drainage structures, guard rails, signs, signals, curbing, and dikes, fills, and retaining walls necessary to support or protect the highway."

(b) Section 2 of the Act of Congress entitled "An Act to provide for a tax on motor vehicle fuels sold within the District of Columbia and for other purposes", approved April 23, 1924, as amended by paragraph B of section 2 of title III of the District of Columbia Revenue Act of 1937, is further amended by adding thereto a new subparagraph as follows:

"(j) The term 'improvement' means the betterment of a highway by construction, reconstruction, or resurfacing."

SEC. 4. (a) Paragraph (c) of section 2 of title IV of such Act is amended to read as follows:

"(c) Every registration under this title on or before the last day of February 1939 shall expire at midnight on the last day of February 1939, unless otherwise provided, and unless the time be extended by the Commissioners. Every registration under this title thereafter, unless otherwise provided, and unless the time be extended by the Commissioners, shall expire on the last day of February next succeeding the date of registration. Every such registration shall be renewed annually upon application made by the owner during the months of January and February, and by payment of the fees required by law, such renewal to take effect on the 1st day of March of each year. During the month of February it shall be lawful to operate a motor vehicle registered for the ensuing year commencing March 1 following. It shall be lawful to operate a motor vehicle registered for the year 1938 during the months of January and February 1939."

(b) Paragraph (d) of section 2 of title IV of such Act is amended to read as follows:

"(d) Upon the sale or other transfer to another owner of any motor vehicle registered under this title, the registration thereof shall expire. The owner selling or otherwise transferring such vehicle may register another motor vehicle for the unexpired portion of the registration year upon payment of a fee of \$1 and a sum equal to the difference between the registration fee originally paid and the fee computed for such other motor vehicle under section 3, in case the latter is the greater. Upon the death of a joint owner of a motor vehicle registered under this title the registration thereof shall be transferred to the survivor or survivors and the fee for such transfer shall be \$1."

(c) Section 3 of title IV of such Act is amended to read as follows:

"SEC. 3. (a) There shall be levied, collected, and paid for each registration year for each motor vehicle operated in the District of Columbia and for each trailer operated or moved in the District of Columbia required to be registered hereunder the registration fees provided in this section.

"(b) Class A. For each gasoline-propelled passenger vehicle, including passenger vehicles licensed under paragraph 31 (b) or paragraph 31 (d) of section 7 of the District of Columbia Appropriation Act for the fiscal year ending June 30, 1903, approved July 1, 1902, as amended by the Act of Congress approved July 1, 1932—

"(1) When wholly equipped with pneumatic tires, the manufacturer's shipping weight of which is not more than three thousand five hundred pounds, \$5; more than three thousand five hundred pounds and not more than four thousand five hundred pounds, \$8; over four thousand five hundred pounds, \$12.

"(2) When wholly or partially equipped with other than pneumatic tires, double the above fees.

"Class B. For each gasoline-propelled truck, tractor, and passenger-carrying vehicle for hire having a seating capacity of eight passengers or more in addition to the driver or operator, with the exception of passenger vehicles licensed under paragraph 31 (b) of section 7 of the District of Columbia Appropriation Act for the fiscal year ending June 30, 1903, approved July 1, 1902, as amended by the Act of Congress approved July 1, 1932—

"(1) When wholly equipped with pneumatic tires, the manufacturer's shipping weight of the chassis plus the weight of the cab and body is not more than two thousand pounds, \$15; more than two thousand pounds and not more than four thousand pounds, \$20; more than four thousand pounds and not more than six thousand

Motor vehicles, registration.  
50 Stat. 680.  
Expiration date.

Renewals.

Registration for 1938; expiration.

50 Stat. 680.

Transfer provisions.

Fee.

Survivor of joint ownership.

50 Stat. 681.

Registration fees.

Classes.

Class A.

Class B.

pounds, \$35; more than six thousand pounds and not more than eight thousand pounds, \$50; more than eight thousand pounds and not more than ten thousand pounds, \$65; more than ten thousand pounds and not more than twelve thousand pounds, \$75; more than twelve thousand pounds and not more than sixteen thousand pounds, \$100; over sixteen thousand pounds, \$150.

"(2) When wholly or partially equipped with other than pneumatic tires, double the above fees.

Class C.

"Class C. For each trailer, when the manufacturer's shipping weight of the chassis plus the weight of the body is not more than five hundred pounds, \$5; more than five hundred pounds and not more than twelve hundred and fifty pounds, \$10; more than twelve hundred and fifty pounds and not more than two thousand pounds, \$15; more than two thousand pounds and not more than four thousand pounds, \$20; more than four thousand pounds and not more than six thousand pounds, \$35; more than six thousand pounds and not more than eight thousand pounds, \$50; more than eight thousand pounds and not more than ten thousand pounds, \$65; more than ten thousand pounds and not more than twelve thousand pounds, \$75; more than twelve thousand pounds and not more than sixteen thousand pounds, \$100; over sixteen thousand pounds, \$150.

Class D.

"Class D. For each motorcycle, motor bicycle, motor tricycle, and motor wheel, \$5.

Class E.

"Class E. Motor vehicles not propelled by gasoline, double the fees for similar vehicles propelled by gasoline.

Class F.

"Class F. For dealers' identification tags, first three sets of tags, \$25, and \$5 for each additional set.

Fee, when registration received on or after September 1.

"(c) When application for registration of any motor vehicle is received by the director on or after September 1, the registration fee for such vehicle for the registration year shall be one-half the amount provided for the class in which such vehicle falls.

Deposit of proceeds from fees, etc.

"(d) All proceeds from fees payable under this title and all moneys collected from the motor-vehicle-fuel tax, and fees charged for the titling of motor vehicles, including fees charged for the issuance of permits to operate motor vehicles, shall be deposited in a special account in the Treasury of the United States entirely to the credit of the District of Columbia and shall be appropriated and used solely and exclusively for the following purposes:

Uses designated.  
Highways, construction, etc.

"(1) For construction, reconstruction, improvement, and maintenance of public highways, including the necessary administrative expenses in connection therewith;

Traffic control expenses.

"(2) For the expenses of the office of the director of vehicles and traffic incident to the regulation and control of traffic and the administration of the same; and

Police control.  
Proviso.  
Limitation on expenditure.

"(3) For the expenses necessarily involved in the police control, regulation, and administration of traffic upon the highways: *Provided, however,* That the total amount to be expended under this item shall not exceed 15 per centum of the total amount appropriated for pay and allowances of officers and members of the Metropolitan Police force.

Designated appropriations for 1938 payable from special fund.

"For the fiscal year 1938 all moneys appropriated for the construction, reconstruction, improvement, and maintenance of highways and administrative expenses in connection therewith; all moneys appropriated for the department of vehicles and traffic; and 15 per centum of all moneys appropriated for pay and allowances for officers and members of the Metropolitan Police force shall be paid from and chargeable against the fund hereby created."

50 Stat. 684.

SEC. 5. (a) Title V of such Act is amended by adding to section 1 thereof the following new subsections:

“(j) Whenever any person shall exercise a general power of appointment derived from any disposition of property, made either before or after the passage of this title, such appointment, when made, shall be deemed a transfer taxable, under the provisions of this title, in the same manner as though the property to which such appointment relates belonged absolutely to the donee of such power; and whenever any person possessing such power of appointment so derived shall omit or fail to exercise the same within the time provided therefor, in whole or in part, a transfer taxable under the provisions of this title shall be deemed to take place to the extent of such omissions or failure in the same manner as though the person or persons thereby becoming entitled to the possession or enjoyment of the property to which such power related had succeeded thereto by the will of the donee of the power failing to exercise such power, taking effect at the time of such omission or failure.

“(k) The doctrine of equitable conversion shall not be invoked in the assessment of taxes under this title.”

(b) Section 3 of title V of such Act is amended to read as follows:

“SEC. 3. The appraisal thus made shall be deemed and taken to be the true value of the said property or interest therein upon which the said tax shall be paid, and the amount of said tax and the tax imposed by article II of this title shall be a lien on said property or interest therein for the period of ten years from the date of death of the decedent: *Provided, however,* That such lien shall not attach to any personal property sold or disposed of for value by an administrator, executor, or collector, of the estate of such decedent appointed by the District Court of the United States for the District of Columbia or by a trustee appointed under a will filed with the register of wills of the District of Columbia or by order of said court, or his successor approved by said court, but a lien for said taxes shall attach on all property acquired in substitution therefor for a period of ten years after the acquisition of such substituted property: *And provided further,* That such lien upon such substituted property shall, upon sale by such personal representatives, be extinguished and shall reattach in the manner as provided with respect of such original property.”

(c) Section 7 of title V of such Act is amended to read as follows:

“SEC. 7. Every person entitled to receive property taxable under section 1 hereof, which property is not under the control of a personal representative, and is over \$1,000 in value, shall, within six months after the death of the decedent, report under oath to the assessor, on forms provided for that purpose, an itemized schedule of all property (real, personal, and mixed) received or to be received by such person; the market value of the same at the time of the death of the decedent and the relationship of such person to the decedent; and any other information which the assessor may require. The tax on the transfer of any such property shall be paid by such person to the collector of taxes within nine months after the date of the death of the decedent: *Provided, however,* That with respect to real estate passing by will or inheritance such report shall be made within fifteen months after the death of the decedent, and the tax on the transfer thereof shall be paid within eighteen months after the date of the death of the decedent.”

(d) Section 10 of title V of such Act is amended to read as follows:

“SEC. 10. In the case of any grant, deed, devise, descent, or bequest of a life interest or term of years, the donee for life or years shall pay a tax only on the value of his interest, determined in a manner as the Commissioners by regulation may prescribe, and the donee of the future interest shall pay a tax only on his interest as based upon the

Inheritance and estate taxes.  
General power of appointment.

Doctrine of equitable conversion not to be invoked in tax assessment.  
50 Stat. 684.  
Appraisal deemed true value.

Tax imposed to be a lien.

*Provided.*  
Personal property sold, etc., by an administrator of estate.

Lien to attach to property acquired in substitution.

Extinguishment upon sale by personal representatives; reattachment.

50 Stat. 685.

Property not under control of personal representative; report.

Payment of tax.

*Provided.*  
Real estate passing by will, etc.; report.

50 Stat. 686.

Life interest or for term of years, payment of tax.



Future interests, determination of value.

Vested future interests, payment of tax.

Where future interest is contingent.

*Proviso.*  
Bond.

Tax upon transfer to be a lien.

Payment upon transfer of contingent future interest before becoming vested.

50 Stat. 686.

Failure to file required return; penalty.

False, etc., returns.

50 Stat. 687.

Transfers of decedent's assets to other than executor, etc.; notice to assessor.

Retention of portion to pay tax.

value thereof at the time of the death of the decedent creating such interest. The value of any future interest shall be determined by deducting from the market value of such property at the time of the death of such decedent the value of the precedent life interest or term of years. Where the future interest is vested the donee thereof shall pay the tax within the time in which the tax upon the precedent life interest or term of years is required to be paid under the provisions of sections 4 and 7 of this article, as the case may be. Where the future interest is contingent the personal representative of such decedent or the persons interested in such contingent future estate shall have the option of (1) paying, within the time herein provided for the payment of taxes due upon vested future interests, a tax equal to the mean between the highest possible tax and the lowest possible tax which could be imposed under any contingency or condition whereby such contingent future interest might be wholly or in part created, defeated, extended, or abridged; or (2) paying the tax upon such transfer at the time when such future interest shall become vested at rates and with exemptions in force at the time of the death of such decedent: *Provided*, That the personal representative or trustee of the estate of the decedent or the persons interested in the future contingent interest shall deposit with the assessor a bond in the penal sum of an amount equal to twice the tax payable under option (1) hereof. Such bonds shall be payable to the District of Columbia and shall be conditioned for the payment of such tax when and as the same shall become due and payable. The tax upon the transfer of future interests or remainders shall be a lien upon the property or interest transferred from the date of the death of the decedent creating the interests and shall remain in force and effect until ten years after the date when such remainder or future interest shall become vested in the donee thereof. If the tax upon the transfer of a contingent future interest is paid before the same shall become vested, such tax shall be paid by the personal representative out of the corpus of the estate of the decedent, otherwise by the person or persons entitled to receive the same."

(e) Section 13 of title V of such Act is amended to read as follows:

"SEC. 13. Any person required by this title to file a return who fails to file such return within the time prescribed by this title, or within such additional time as may be granted under regulations promulgated by the Commissioners of the District of Columbia, shall become liable in his own person and estate to the District of Columbia in an amount equal to 10 per centum of the tax found to be due. In case any person required by this title to file a return knowingly files a false or fraudulent return, he shall become liable in his own person and estate to the said District in an amount equal to 50 per centum of the tax found to be due. Such amounts shall be collected in the same manner as is herein provided for the collection of the taxes levied under this title."

(f) Section 16 of title V of such Act is amended to read as follows:

"SEC. 16. No person holding, within the District of Columbia, tangible or intangible assets of any resident or nonresident decedent shall deliver or transfer the same or any part thereof to any person other than an executor, administrator, or collector of the estate of such decedent appointed by the District Court of the United States for the District of Columbia, unless notice of the date and place of such intended transfer be served upon the assessor of the District of Columbia at least ten days prior to such delivery or transfer, nor shall any person holding, within the District of Columbia, any assets of a resident or nonresident decedent deliver or transfer the same

or any part thereof to any person other than an executor, administrator, or collector of the estate of such decedent appointed by said District Court without retaining a sufficient portion or amount thereof to pay any tax which may be assessed on account of the transfer of such assets under the provisions of this article and article II without an order from the assessor of the District of Columbia authorizing such transfer. It shall be lawful for the assessor of the District of Columbia personally, or by his representatives, to examine said assets at any time before such delivery or transfer. Failure to serve such notice or to allow such examination or to retain as herein required a sufficient portion or amount to pay the taxes imposed by this title shall render such person liable to the payment of such taxes. The assessor of the District may issue a certificate authorizing the transfer of any such assets whenever it appears to the satisfaction of said assessor that no tax is due thereon. The lessor of a safe-deposit box standing in the joint names of a decedent and a survivor or survivors may deliver the entire contents of such safe-deposit box to the survivor or survivors, after examination of such contents by the assessor or his representative, without any liability on the part of the said lessor for the payment of such tax."

Examination of assets by assessor.

Issuance of certificate for transfer.

Assets found in safe-deposit box standing in joint names.

(g) Title V of such Act is further amended by adding thereto new sections as follows:

50 Stat. 688.

"SEC. 26. The Bureau of Internal Revenue of the Treasury Department of the United States is authorized and required to supply such information as may be requested by the Commissioners relative to any person subject to the taxes imposed under this title or relative to any person whose estate is subject to the provisions of this title.

Bureau of Internal Revenue to supply information to Commissioners.

"SEC. 27. A tax is hereby imposed upon the transfer of real property or tangible personal property in the District of Columbia of every person who at the time of death was a resident of the United States but not a resident of the District of Columbia, and upon the transfer of all property, both real and personal, within the District of Columbia of every person who at the time of death was not a resident of the United States, the amount of which shall be a sum equal to such proportion of the amount by which the credit allowable under the applicable Federal revenue Act for estate, inheritance, legacy, and succession taxes actually paid to the several States exceeds the amount actually so paid for such taxes, exclusive of estate taxes based upon the difference between such credit and other estate taxes and inheritance, legacy, and succession taxes, as the value of the property in the District of Columbia bears to the value of the entire estate, subject to estate tax under the applicable Federal revenue Act."

Nonresidents, tax on transfers of real and tangible personal property.

Amount.

(h) The provisions of this section shall become effective at 12:01 ante meridian on the day immediately following the date of approval of this Act.

Effective date of section.

SEC. 6. (a) Title VI of such Act is amended to read as follows:

50 Stat. 688.

## "TITLE VI—TAX ON PRIVILEGE OF DOING BUSINESS

"SEC. 1. Where used in this title—

Title VI—Tax on privilege of doing business.

Definitions.

"Person."

"(a) The term 'person' includes any individual, firm, copartnership, joint adventure, association, corporation (domestic or foreign), trust, estate, receiver, or any other group or combination, acting as a unit; and all bus lines, truck lines, radio communication lines or networks, telegraph lines, telephone lines, or any instrumentality of commerce, but shall not include railroads, railroad express companies, steamship companies and air transportation lines.

"District."	"(b) The term 'District' means the District of Columbia.
"Taxpayer."	"(c) The term 'taxpayer' means any person liable for any tax hereunder.
"Commissioners."	"(d) The term 'Commissioners' means the Commissioners of the District or their duly authorized representative or representatives.
"Business."	"(e) The term 'business' shall include the carrying on or exercising for gain or economic benefit, either direct or indirect, any trade, business, profession, vocation, or commercial activity including rental of real estate and rental of real and personal property, in any commerce whatsoever in the District, in or on privately owned property and in or on property owned by the United States Government, or by the District, not including, however, labor or services rendered by any individual as an employee for wages, salary, or commission.
Activities not included.	"The term 'business' shall not include the usual activities of boards of trade, chambers of commerce, trade associations or unions, or other associations performing the services usually performed by trade associations and unions, community chest funds or foundations, corporations organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, or clubs or fraternal organizations operated exclusively for social, literary, educational, or fraternal purposes, where no part of the net earnings or income or receipts from such units, groups, or associations inures to any private shareholder or individual, and no substantial part of the activities of which is carried on for propaganda or attempting to influence legislation: <i>Provided, however,</i> That if any such units, groups, or associations shall engage in activities other than the activities in which such units, groups, or associations usually engage, such activities shall be included in the term 'business': <i>Provided further,</i> That activities conducted for gain or profit by any educational institution, hospital, or any other institution mentioned in this subparagraph, are included in the term 'business'.
<i>Provisos.</i> Inclusion, if engaging in business.	
Activities conducted for gain, etc.	
"Gross receipts."	"(f) The term 'gross receipts' means the gross receipts received from any business in the District, including cash, credits, and property of any kind or nature, without any deduction therefrom on account of the cost of the property sold, the cost of materials, labor, or services, or other costs, interest or discount paid, or any expense whatsoever: <i>Provided,</i> That any credits included by a taxpayer in a prior return of gross receipts which shall not have been collected during the period since the filing of the return in which the credit was included may be deducted from the gross receipts covered by the subsequent return: <i>Provided, however,</i> That if such credit shall be collected during a succeeding taxable period, such item shall be included in the return of gross receipts for such succeeding taxable period: <i>Provided further,</i> That the term 'gross receipts' when used in connection with or in respect to financial transactions involving the sale of notes, stocks, bonds, and other securities, or the loan, collection, or advance of money, or the discounting of notes, bills, or other evidences of debt, shall be deemed to mean the gross interest, discount or commission, or other gross income earned by means of or resulting from said financial transactions: <i>Provided further,</i> That in connection with commission merchants, attorneys or other agents, the term 'gross receipts' shall be deemed to mean the gross amount of such commissions or gross fees received by them, and as to stock and bond brokers, the term 'gross receipts' shall be deemed to mean gross amount of commissions or gross fees received, the gross trading profit on securities bought and sold, and the gross interest income on marginal accounts from business done or arising in the District:
<i>Provisos.</i> Deduction of certain credits.	
Inclusion, if collected during a succeeding taxable period.	
Term when used in certain financial transactions.	
In connection with commission merchants, attorneys, etc.	

*Provided further*, That with respect to contractors the term 'gross receipts' shall mean their total receipts, less money paid by them to subcontractors for work and labor performed and material furnished by such subcontractors in connection with such work and labor.

"(g) The term 'fiscal year' means the year beginning on the 1st day of July and ending on the 30th day of June following.

"(h) The term 'original license' shall mean the first license issued to any person for any single place of business and the term 'renewal license' shall mean any subsequent license issued to the same person for the same place of business.

"SEC. 2. (a) No person shall engage in or carry on any business in the District without having a license required by this title so to do from the Commissioners, except that no license shall be required of any person selling newspapers, magazines, and periodicals, whose sales are not made from a fixed location and which sales do not exceed the annual sum of \$2,000.

"(b) All licenses issued under this title shall be in effect for the duration of the fiscal year in which issued, unless revoked as herein provided, and shall expire at midnight of the 30th day of June of each year. No license may be transferred to any other person.

"(c) All licenses granted under this title must be conspicuously posted on the premises of the licensee and said license shall be accessible at all times for inspection by the police or other officers duly authorized to make such inspection. Licensees having no located place of business shall exhibit their licenses when requested to do so by any of the officers above named.

"(d) Licenses shall be good only for the location designated thereon, except in the case of licenses issued hereunder for businesses which in their nature are carried on at large and not at a fixed place of business. No license shall be issued for more than one place of business without a payment of a separate fee for each, except where a taxpayer is engaged in the business of renting real estate.

"(e) Any person not having an office or place of business in the District but who does or transacts business in the District by or through an employee or agent, shall procure the license provided by this title. Said license shall be carried and exhibited by said employee or agent: *Provided, however*, That where said person does or transacts business in the District by or through two or more employees or agents, each such employee or agent shall carry either the license or a certificate from the Commissioners that the license has been obtained. Such certificates shall be in such form as the Commissioners shall determine and shall be furnished without charge by the Commissioners upon request. No employee or agent of a person not having an office or place of business within the District shall engage in or carry on any business in the District for or on behalf of such person unless such person shall have first obtained a license as provided by this title.

"(f) The Commissioners may, after hearing, revoke any license issued hereunder for failure of the licensee to file a return or corrected return within the time required by this title as originally enacted or amended or to pay any installment of tax when due thereunder.

"(g) Licenses shall be renewed for the ensuing fiscal year upon application as provided in section 3 of this title: *Provided*, That no license shall be renewed if the taxpayer has failed or refused to pay any tax or installment thereof or penalties thereon imposed by this title as originally enacted or as amended: *Provided, however*, That the Commissioners in their discretion for cause shown may, on such

With respect to contractors.

"Fiscal year."

"Original license."

"Renewal license."

License required; exceptions.

Duration of licenses.

Not transferable.

Posting; accessibility.

Good for designated location only.

Person without office in District transacting business in District through agent.

*Proviso.*  
Business license or certificate required.

Form of certificate.

Revocation.

Renewals.  
*Provisos.*  
Restrictions.

Waiver of provisions.

terms and conditions as they may determine or prescribe, waive the provisions of this paragraph.

Fee.

*Proviso.*  
Exemptions.

Application for  
original licenses;  
renewals.

*Proviso.*  
Original licenses  
issued after May 1;  
renewals.

Penalty for delin-  
quency.

Financial state-  
ments.

Examination of  
books, etc.

Summons; power to  
compel obedience.

Extension of time  
for filing return.

Tax rate.

"SEC. 3. (a) Applications for license shall be upon a form prescribed and furnished by the Commissioners, and each application shall be accompanied by a fee of \$10: *Provided*, That no fee for the renewal of any license previously issued shall be required of any person if he shall certify under oath (1) that his gross receipts during the year immediately preceding his application, if he was engaged in business during all of such period of time; or (2) that his gross receipts as computed in section 5 of this title, if he was engaged in business for less than one year immediately preceding his application; were not more than \$2,000. Application for an original license may be made at any time. Application for a renewal license shall be made during the month of May immediately preceding the fiscal year for which it is desired that the license be renewed: *Provided*, That where an original license is issued to any person after the 1st day of May of any year, application for a renewal of such license for the ensuing fiscal year may be made at any time prior to the expiration of the fiscal year in which such original license was issued.

"(b) In the event of the failure of a licensee to apply for renewal of a license or licenses within the time prescribed herein, such licensee shall be required to pay for the renewal of each license the sum of \$5 in addition to the fees prescribed herein, and the license fee in no event shall be less than \$5 for each such renewal license.

"SEC. 4. (a) Every person subject to the provisions of this title, whose annual gross receipts during the preceding calendar year exceed \$2,000, shall, during the month of July of each year, furnish to the assessor, on a form prescribed by the Commissioners, a statement under oath showing the gross receipts of the taxpayer during the preceding calendar year, which return shall contain such other information as the Commissioners may deem necessary for the proper administration of this title. The burden of proof shall be upon the person claiming exemption from the requirement of filing a return to show that his gross annual receipts are not in excess of \$2,000.

"(b) The Commissioners, for the purpose of ascertaining the correctness of any return filed hereunder, or for the purpose of making a return where none has been made, are authorized to examine any books, papers, records, or memoranda of any person bearing upon the matters required to be included in the return and may summon any person to appear and produce books, records, papers, or memoranda bearing upon the matters required to be included in the return, and to give testimony or answer interrogatories under oath respecting the same, and the Commissioners shall have power to administer oaths to such person or persons. Such summons may be served by any member of the Metropolitan Police Department. If any person having been personally summoned shall neglect or refuse to obey the summons issued as herein provided, then, and in that event, the Commissioners may report that fact to the District Court of the United States for the District of Columbia, or one of the justices thereof, and said court or any justice thereof hereby is empowered to compel obedience to such summons to the same extent as witnesses may be compelled to obey the subpoenas of that court.

"(c) The Commissioners are authorized and empowered to extend for cause shown the time for filing a return for a period not exceeding thirty days.

"SEC. 5. (a) For the privilege of engaging in business in the District during any fiscal year after June 30, 1938, each person so engaged shall pay to the Collector of Taxes a tax measured upon

gross receipts in excess of \$2,000 derived from such business for the calendar year immediately preceding, as follows:

"1. That with respect to dealers in goods, wares, and merchandise, where the spread or difference between the cost of goods sold and the sale price does not exceed 3 per centum of the cost of the goods sold, one-tenth of 1 per centum of such dealers' gross receipts; where such spread or difference exceeds 3 but does not exceed 6 per centum, two-tenths of 1 per centum of such dealers' gross receipts; and where such spread or difference exceeds 6 per centum but does not exceed 9 per centum, three-tenths of 1 per centum of such dealers' gross receipts; and where such spread or difference exceeds 9 per centum, four-tenths of 1 per centum of such dealers' gross receipts. The cost of such goods, wares, and merchandise sold shall be determined after considering the inventories both at the beginning and at the end of the period covered by the return and purchases made during such period, and such inventories shall be valued at cost or market, whichever is lower, and shall be in agreement with the inventories as reflected by the books of such dealers. The cost of goods, wares, and merchandise shall be the actual purchase price, including the prevailing freight rate to the dealer's place of business in the District. The burden of proving under which classification the taxpayer shall be taxed shall be upon the taxpayer, and, unless the taxpayer shall by proof satisfactory to the assessor show to the contrary, the spread or difference between the cost of goods, wares, and merchandise sold by the taxpayer and the selling price of such goods, wares, and merchandise shall be presumed to be in excess of 9 per centum of the cost of the goods, wares, and merchandise sold, and the taxpayer shall be taxed accordingly.

"2. All persons, other than those mentioned in subparagraph (1) of this paragraph shall pay a tax equal to four-tenths of 1 per centum of the gross receipts derived by such persons from such business.

"(b) If a taxpayer shall not have been engaged in business during the entire calendar year upon the gross receipts of which the tax imposed by this title is measured, he shall pay the tax imposed by this title measured by his gross receipts during the period of one year from the date when he became so engaged; and if such taxpayer shall not have been so engaged for an entire year prior to the beginning of the fiscal year for which the tax is imposed then the tax imposed shall be measured by his gross receipts during the period in which he was so engaged multiplied by a fraction, the numerator of which shall be 365 and the denominator of which shall be the number of days in which he was so engaged.

"(c) If a person liable for the tax during any year or portion of a year for which the tax is computed acquires the assets or franchises of or merges or consolidates his business with the business of any other person or persons, such person liable for the tax shall report, as his gross receipts by which the tax is to be measured, the gross receipts for such year of such other person or persons together with his own gross receipts during such year.

"Sec. 6. National banks and all other incorporated banks and trust companies, street railroad, gas, electric lighting, and telephone companies, companies incorporated or otherwise, who guarantee the fidelity of any individual or individuals, such as bonding companies, companies who furnish abstracts of title, savings banks, and building and loan associations which pay taxes under existing laws of the District upon gross receipts or gross earnings, and insurance companies which pay a tax upon premiums shall be exempt from the provisions of this title.

Where spread or difference between cost and sale price does not exceed 3 per centum.

Exceeding 3 but not exceeding 6 per centum.

Not exceeding 9 per centum.

In excess of 9 per centum.

Determination of cost.

Burden of proof as to classification.

Tax on all others.

Computation for fraction of year.

Consolidation of business.

National banks, public utilities, etc.; exemption.

Insurance companies.

Date due; payment.

Penalty for delinquency.

Credit for tax paid on tangible personal property.  
*Post*, p. 624.

Determination of amount if no return filed, etc.

Notice.

Appeal.  
*Post*, p. 371.

Penalty provision.

Notice by mail presumptive evidence of receipt.

Collection of taxes and penalties.

Penalties.

Bureau of Internal Revenue to supply requested information.

"SEC. 7. (a) The taxes imposed hereby shall be due on the 1st day of July of the fiscal year for which such taxes are assessed and may be paid, without penalty, to the collector of taxes of the District in equal semiannual installments in the months of October and April following. If either of said installments shall not be paid within the month when the same is due, said installment shall thereupon be in arrears and delinquent and there shall be added and collected to said tax a penalty of 1 per centum per month upon the amount thereof for the period of such delinquency, and said installment with the penalties thereon shall constitute a delinquent tax.

"(b) Any tax on tangible personal property levied against, and paid by, the taxpayer to the District, within the time prescribed by law for the payment of such tax by the taxpayer, shall be allowed as a credit against the tax imposed by this title for the taxable year in which such tax on tangible personal property is paid.

"SEC. 8. If a return required by this title is not filed, or if a return when filed is incorrect or insufficient and the maker fails to file a corrected or sufficient return within twenty days after the same is required by notice from the assessor, the assessor shall determine the amount of tax due from such information as he may be able to obtain, and, if necessary, may estimate the tax on the basis of external indices such as number of employees of the person concerned, rentals paid by him, stock on hand, and other factors. The assessor shall give notice of such determination to the person liable for the tax. Such determination shall fix the tax, subject however to appeal as provided in sections 3 and 4 of title IX of this Act.

"SEC. 9. Any person failing to file a return or corrected return within the time required by this title shall be subject to a penalty of 10 per centum of the tax due for the first month of delay plus 5 per centum of such tax for each additional month of delay or fraction thereof.

"SEC. 10. Any notice authorized or required under the provisions of this title may be given by mailing the same to the person for whom it is intended by mail addressed to such person at the address given in the return filed by him pursuant to the provisions of this title, or if no return has been filed then to his last-known address. The mailing of such notice shall be presumptive evidence of the receipt of the same by the person to whom addressed. Any period of time which must be determined under the provisions of this title by the giving of notice shall commence to run from the date of mailing such notice.

"SEC. 11. The taxes levied hereunder and penalties may be assessed by the assessor and collected by the collector of taxes of the District in the manner provided by law for the assessment and collection of taxes due the District on personal property in force at the time of such assessment and collection.

"SEC. 12. Any person engaging in or carrying on business without having a license so to do, or failing or refusing to file a sworn report as required herein, or to comply with any rule or regulation of the Commissioners for the administration and enforcement of the provisions of this title shall, upon conviction thereof, be fined not more than \$300 for each and every failure, refusal, or violation, and each and every day that such failure, refusal, or violation continues shall constitute a separate and distinct offense. All prosecutions under this title shall be brought in the police court of the District on information by the corporation counsel or his assistant in the name of the District.

"SEC. 13. The Bureau of Internal Revenue of the Treasury Department of the United States is authorized and required to supply such

information as may be requested by the Commissioners relative to any person subject to the taxes imposed under this title.

"SEC. 14. Except in accordance with proper judicial order or as otherwise provided by law, it shall be unlawful for the Commissioners or any person having an administrative duty under this title to divulge or make known in any manner the receipts or any other information relating to the business of a taxpayer contained in any return required under this title. The persons charged with the custody of such returns shall not be required to produce any of them or evidence of anything contained in them in any action or proceeding in any court, except on behalf of the United States or the District, or on behalf of any party to any action or proceeding under the provisions of this title, when the returns or facts shown thereby are directly involved in such action or proceeding, in either of which events the court may require the production of, and may admit in evidence, so much of such returns or of the facts shown thereby, as are pertinent to the action or proceeding and no more. Nothing herein shall be construed to prohibit the delivery to a taxpayer, or his duly authorized representative, of a certified copy of any return filed in connection with his tax, nor to prohibit the publication of statistics so classified as to prevent the identification of particular returns and the items thereof, or the inspection by the corporation counsel of the District, or any of his assistants, of the return of any taxpayer who shall bring action to set aside or review the tax based thereon, or against whom an action or proceeding has been instituted for the collection of a tax or penalty. Returns shall be preserved for three years and thereafter until the Commissioners order them to be destroyed. Any violation of the provisions of this section shall be subject to the punishment provided by section 12 of this title.

"SEC. 15. This title shall not be deemed to repeal or in any way affect any existing Act or regulation under which taxes are now levied, or any license or license fees are now required.

"SEC. 16. Sections 2 and 3 of this title shall be effective upon the approval of this Act. The remaining sections of this title shall be effective July 1, 1938. This title shall expire June 30, 1939.

"SEC. 17. Appropriations are hereby authorized for such additional personnel and expenses as may be necessary to carry out the provisions of this Act.

"SEC. 18. The proper apportionment and allocation of gross receipts with respect to sources within and without the District may be determined by processes or formulas of general apportionment under rules and regulations prescribed by the Commissioners."

(b) The amendment made by this section shall not affect the taxes imposed and the licenses required by the provisions of title VI of such Act for the fiscal year ending June 30, 1938.

SEC. 7. Title VII of such Act is amended to read as follows:

"SEC. 1. For the fiscal years ending June 30, 1938, and June 30, 1939, the rate of taxation imposed for the District of Columbia on real and tangible personal property shall not be less than 1.75 per centum on the assessed value of such property.

"SEC. 2. Until and including June 30, 1939, the Secretary of the Treasury, notwithstanding the provisions of the District of Columbia Appropriation Act, approved June 29, 1922, is authorized and directed to advance, on the requisition of the Commissioners of the District of Columbia, made in the manner now prescribed by law, out of any money in the Treasury of the United States not otherwise appropriated, such sums as may be necessary, from time to time, during said fiscal year to meet the general expenses of said District as

Divulging of information relating to business of taxpayer unlawful; exception.

Furnishing taxpayer with copy of his return.

Publication of statistics.

Use of returns in court action.

Preservation of returns.

Penalty for violation.

Existing provisions not repealed.

Effective dates of designated sections.

Expiration of title.

Additional personnel and other necessary expenses.

Apportionment and allocation of gross receipts.

Existing provisions to remain effective, fiscal year 1938.

50 Stat. 692.

Real and tangible personal property, rate for fiscal years 1938 and 1939.

Authorization for advance offunds.  
42 Stat. 668.



Reimbursement.

Administrative rules and regulations.

Separability of provisions.

Divulging of information obtained from Bureau of Internal Revenue unlawful; exception.

Penalty for violation.

Survey of tax structure of the District of Columbia.

Sum authorized, from District revenues.  
*Post*, p. 1121.

Personal services.

5 U. S. C. §§ 661-674; Supp. III, §§ 673, 673c.

41 U. S. C. § 5.  
Report to Congress.

New titles added.  
50 Stat. 694.

Title IX—Tax appeals.

Terms defined.

Board of Tax Appeals for the District of Columbia.

Appointment by Commissioners.  
Citizenship, term, vacancies, etc.

authorized by Congress, and such amounts so advanced shall be reimbursed by the said Commissioners to the Treasury out of taxes and revenue collected for the support of the government of the said District of Columbia.

"SEC. 3. The Commissioners of the District of Columbia are authorized to make such rules and regulations as may be necessary to carry out the provisions of this Act.

"SEC. 4. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of the Act, and the application of such provisions to other persons or circumstances, shall not be affected thereby.

"SEC. 5. Except in accordance with proper judicial order or as otherwise provided by law, it shall be unlawful for the Commissioners or any person having an administrative duty under this title to divulge or make known in any manner any information obtained from the Bureau of Internal Revenue in accordance with any provisions of this Act. Any violation of the provisions of this section shall subject the offender to a fine of \$300 or imprisonment for ninety days.

"SEC. 6. There is hereby authorized to be appropriated out of the revenues of the District of Columbia the sum of \$10,000, for the employment of professional and clerical services in connection with a survey and study of the entire tax structure of the District of Columbia, including taxes paid by public utilities, to be made under the direction of the Joint Committee on Internal Revenue Taxation. Such sum shall be available for necessary expenses, and for personal services without regard to the civil-service requirements, the Classification Act of 1923, as amended, or section 3709 of the Revised Statutes. A report of such survey, with recommendations, shall be made to Congress not later than January 15, 1939."

SEC. 8. Such Act is further amended by adding thereto the following new titles, to be known as title IX, title X, and title XI:

#### "TITLE IX—TAX APPEALS

"SEC. 1. In the interpretation of this title, unless the context indicates a different meaning—

"The word 'tax' means the tax or taxes mentioned in this title.

"The word 'appeal' means the appeal provided in this title.

"The word 'Board' means the Board of Tax Appeals for the District of Columbia created by this title.

"The word 'Commissioners' means the Commissioners of the District of Columbia or their duly authorized representative or representatives.

"The word 'District' means the District of Columbia.

"The word 'person' includes any individual, firm, copartnership, joint adventure, association, corporation (domestic or foreign), trust, estate, or receiver.

"The word 'court' shall mean the United States Court of Appeals for the District of Columbia.

"The word 'assessor' shall mean the assessor of the District of Columbia.

"The words 'Board of Equalization and Review' shall mean the Board of Equalization and Review of the District of Columbia.

"SEC. 2. The Commissioners, within fifteen days after the approval of this Act, shall appoint a Board of one person, subject to removal by the Commissioners, to be called the 'Board of Tax Appeals for the District of Columbia', which person shall be a citizen of the United States. Such person shall be appointed for a term of four years, except such appointment as may be made for the remainder of an

unexpired term. Any vacancy caused by death, resignation, or otherwise shall be filled by the Commissioners only for an unexpired term. Such person shall be eligible for reappointment. Such person shall be an attorney and in active practice of law for at least ten years next preceding his appointment.

"The salary of such person so appointed shall be \$7,500 per annum. The Commissioners are authorized to employ such other personal services as may be necessary to carry out the provisions of this title and to provide for the expenses of the Board. The salaries of employees other than the Board shall be fixed in accordance with the Classification Act of 1923, as amended, but such employees shall be appointed without regard to civil-service requirements. The Commissioners shall include in their annual estimates such amounts as may be required for the salaries and expenses herein authorized.

"SEC. 3. Any person aggrieved by any assessment by the District against him of any personal property, inheritance, estate, business privilege, gross receipt, gross earnings, or insurance premiums tax or taxes, or penalties thereon, may, within ninety days after notice of such assessment, appeal from such assessment to the Board, provided such person shall first pay such tax, together with penalties and interest due thereon, to the collector of taxes of the District of Columbia under protest in writing. The mailing to the taxpayer of a statement of taxes due shall be considered notice of assessment with respect of such taxes. The Board shall hear and determine all questions arising on said appeal and shall make separate findings of fact and conclusions of law, and shall render his decision thereon in writing. The Board may affirm, cancel, reduce, or increase such assessment.

"SEC. 4. (a) The decision of the Board may be reviewed by the court as hereinafter provided if a petition for such review is filed by either the District or the taxpayer within thirty days after the decision is rendered. Such petition for review shall be filed with the Board, and shall be in such form as the Board by regulation shall provide. Upon such review the court shall have the power to affirm, or if the decision of the Board is not in accordance with law, to modify or reverse the decision of the Board, with or without remanding the case for hearing, as justice may require. The court shall have the exclusive jurisdiction to review the decisions of the Board, and the judgment of the court shall be final, except that it shall be subject to review by the Supreme Court of the United States upon certiorari in the manner provided in section 240 of the Judicial Code, as amended. The court is authorized to adopt rules for the filing of the record on review, the preparation of the record for review, and the conduct of the proceedings upon such review and, until the adoption of such rules, the rules of the court relating to appeals in cases in equity, so far as applicable, shall govern. The findings of fact by the Board shall have the same effect as a finding of fact by an equity court or a verdict of a jury.

"(b) The Board is authorized to fix a fee, not in excess of the fee usually charged and collected therefor by the clerk of the District Court of the United States for the District of Columbia, for comparing and preparing the transcript of record, and to fix charges for supplying copies of testimony or copies of other documents and papers. The fees and charges so fixed shall be paid to the collector of taxes of the District and deposited in the Treasury of the United States to the credit of the District of Columbia.

"(c) The decision of the Board shall become final (1) upon the expiration of the time allowed for filing a petition for review, if no such petition be duly filed within such time; or (2) upon the expiration of time allowed for filing of petition for certiorari if the

Legal qualifications.

Salary.

Personal services and expenses.  
*Post*, p. 1119.  
5 U. S. C. §§ 661-674; Supp. III, §§ 673, 673c.

Inclusion of necessary amounts in annual estimates.

Appeal from assessment.

Payment of tax, etc., under protest.

Hearings, findings, etc.

Decision.

Review by court; procedure.

Jurisdiction of court.

Review by Supreme Court.  
28 U. S. C. § 347.

Findings of fact by Board; effect.

Transcripts of record, etc., fees and charges.

Decision of Board, when final.

decision of the Board has been affirmed or the petition for review dismissed by the court, or no petition for certiorari has been filed; or (3) upon denial of a petition for certiorari if the decision of the Board has been affirmed or the petition for review dismissed by the court; or (4) upon the expiration of thirty days from the date of issuance of the mandate of the Supreme Court, if such Court directs that the decision of the Board be affirmed or the petition for review dismissed.

Modification or reversal of decision by Supreme Court.

“(d) If the Supreme Court directs that the decision of the Board be modified or reversed, the decision of the Board rendered in accordance with the mandate of the Supreme Court shall become final upon the expiration of thirty days from the time it was rendered unless within such thirty days either the District or the taxpayer has instituted proceedings to have such decision corrected to accord with the mandate, in which event the decision of the Board shall become final when so corrected.

Modification or reversal of decision by court.

“(e) If the decision of the Board is modified or reversed by the court and if (1) the time allowed for filing a petition for certiorari has expired and no such petition has been filed, or (2) the petition for certiorari has been denied, or (3) the decision of the court has been affirmed by the Supreme Court, then the decision of the Board rendered in accordance with the mandate of the Court shall become final upon the expiration of thirty days from the time such decision of the Board was rendered, unless within such thirty days either the District or the taxpayer has instituted proceedings to have such decision corrected so that it will accord with the mandate, in which event the decision of the Board shall become final when so corrected.

Rehearings.

“(f) If the Supreme Court orders a rehearing, or if the case is remanded by the Court for rehearing and if (1) the time allowed for filing of a petition for certiorari has expired and no such petition has been duly filed; or (2) the petition for certiorari has been denied; or (3) the decision of the Court has been affirmed by the Supreme Court, then the decision of the Board rendered upon such rehearing shall become final in the same manner as though no prior decision of the Board had been rendered.

“Mandate” defined.

“(g) As used in this section the term ‘mandate’, in case a mandate has been recalled prior to the expiration of thirty days from the date of the issuance thereof, means the final mandate.

Board of Equalization and Review; composition, meetings, etc.

“SEC. 5. (a) The assessor of the District and the board of assistant assessors, with the assessor as chairman, shall compose a Board of Equalization and Review, and as such Board of Equalization and Review they shall convene in a room to be provided for them by the Commissioners, on the first Monday of January of each year, and shall remain in session until the first Monday in April of each year, after which date no complaint as to valuation as herein provided shall be received or considered by such Board of Equalization and Review.

Public notice of sessions.

Public notice of the time and place of such session shall be given by publication for two successive days in two daily newspapers in the District not more than two weeks or less than ten days before the beginning of said session. It shall be the duty of said Board of

Equalization of value of real property for assessment.

Equalization and Review to fairly and impartially equalize the value of real property made by the board of assistant assessors as the basis for assessment. Any five of said Board of Equalization and Review shall constitute a quorum for business, and, in the absence of the assessor, a temporary chairman may be selected. They shall immediately proceed to equalize the valuations made by the board of assistant assessors so that each lot and tract and improvements thereon shall be entered upon the tax list at their value in money; and for this purpose they shall hear such complaints as may be made in respect of

Quorum, etc.

Hearing of complaints.

said assessments, and in determining them they may raise the valuation of such tracts or lots as in their opinion may have been returned below their value and reduce the valuation of such as they may believe to have been returned above their value to such sum as in their opinion may be the value thereof. The valuation of the real property made and equalized as aforesaid shall be completed not later than the first Monday of May annually. The valuation of said real property made and equalized as aforesaid shall be approved by the Commissioners not later than July 1 annually, and when approved by the Commissioners shall constitute the basis of taxation for the next succeeding year and until another valuation is made according to law, except as hereinafter provided. Any person aggrieved by any assessment, equalization, or valuation made pursuant to this paragraph may within ninety days after July 1 of the year in which such assessment, equalization, or valuation is made, appeal from such assessment, equalization, or valuation in the same manner and to the same extent as provided in sections 3 and 4 of this title.

“(b) Annually, on or prior to July 1 of each year, the board of assistant assessors shall make a list of all real estate which shall have become subject to taxation and which is not then on the tax list, and affix a value thereon, according to the rules prescribed by law for assessing real estate; shall make return of all new structures erected or roofed, and additions to or improvements of old structures which shall not have been theretofore assessed, specifying the tract or lot of land on which each of such structures has been erected, and the value of such structure, and they shall add such valuation to the assessment made on such tract or lot. When the improvements on any lot or tract of land shall become damaged or be destroyed from any cause, the said board of assistant assessors shall reduce the assessment on said property to the extent of such damage: *Provided*, That the Board of Equalization and Review shall hear such complaints as may be made in respect of said assessments between July 1 and July 15 and determine the same not later than August 1 of the same year. Any person aggrieved by any assessment or valuation made pursuant to this paragraph may, within ninety days after August 1 of the year in which said valuation or assessment is made, appeal from such assessment or valuation in the same manner and to the same extent as provided in sections 3 and 4 of this title.

“(c) In addition to the annual assessment of all real estate made on or prior to July 1 of each year there shall be added a list of all new buildings erected or under roof prior to January 1 of each year, in the same manner as provided by law for all annual additions; and the amounts thereof shall be added as assessment for the second half of the then current year payable in the month of March. When the improvements on any lot or tract of land shall become damaged or be destroyed from any cause prior to January 1 of each year the said board of assistant assessors shall reduce the assessment on said property to the extent of said damage for the second half of the then current year payable in the month of March. The Board of Equalization and Review shall hear such complaints as may be made in respect of said assessments for the second half of said year between January 1 and January 15 and determine said complaints not later than February 1 of the same year. Any person aggrieved by any assessment made in pursuance of this paragraph may within ninety days after February 1 of the year in which such assessment is made, appeal from such assessment in the same manner and to the same extent as provided in sections 3 and 4 of this title.

“(d) If the board of assistant assessors shall learn that any property liable to taxation has been omitted from the assessment for any

Completion of valuation.

Approval; use as basis for taxation for succeeding year.

Appeal from assessment, equalization, or valuation.

Annual listing of taxable real estate not then on tax list.

New structures erected or roofed.

Old structures, additions or improvements.

Reduction for damage or destruction of improvements.

*Proviso.*  
Complaints.

Appeal from assessment or valuation.

New buildings erected or roofed prior to January 1 of each year, assessment.

Added to current year.

Reduction for damage to improvements prior to January 1.

Hearing of complaints.

Property omitted from assessment and void assessments; re-assessment.

<p><i>Proviso.</i> Limit of liability.</p>	<p>previous year or years, or has been so assessed that the assessment was void, it shall be their duty at once to reassess this property for each and every year for which it has escaped assessment and taxation, and report the same, through the assessor, to the collector of taxes who shall at once proceed to collect the taxes so in arrears as other taxes are collected: <i>Provided</i>, That no property which has escaped assessment and taxation shall be liable under this section for a period of more than three years prior to such assessment, except in the case of property involved in litigation. In addition to the duties of the assessor hereinbefore provided, it shall be the duty of the assessor upon reassessment as herein provided to notify the taxpayer by writing of the fact of such reassessment. Any person aggrieved by any reassessment made in pursuance of this paragraph, may within ninety day<sup>1</sup> after notice of said reassessment, appeal from said reassessment in the same manner and to the same extent as provided in sections 3 and 4 of this title.</p>
<p>Appeal from reassessment.</p>	<p>“(e) Whenever application is made according to law for the reassessment or redistribution of taxes by reason of the subdivision of any tract of land in the District, the board of assistant assessors charged with the assessment of real estate in the District is hereby authorized and directed to reassess and redistribute any general or special assessment or tax levied or due and unpaid in accordance with provisions of laws for the assessment and equalizations of valuations of real estate in the District for taxation. The assessor shall promptly notify the owners of record of the land, the taxes of which shall be reassessed or redistributed. Notices in such case shall be served upon each lot or parcel owner if he or she be a resident of the District and his or her residence known, and if he or she be a nonresident of the District, or his or her residence unknown, such notice shall be served on his or her tenant or agent, as the case may be, and if there be no tenant or agent known to the Commissioners, then they shall give notice of such assessment by advertisement twice a week for two weeks in some newspaper published in said District. The service of such notice, where the owner or his tenant or agent resides in the District, shall be either personal or by leaving the same with some person of suitable age at the residence or place of business of such owner, agent, or tenant; and return of such service, stating the manner thereof, shall be made in writing and filed in the office of said Commissioners. Any person aggrieved by such reassessment or redistribution, may within ninety days after notice of such reassessment or redistribution, appeal from such reassessment or redistribution in the same manner and to the same extent as provided in sections 3 and 4 of this title.</p>
<p>Subdivided property, reassessment or redistribution of taxes.</p>	<p>“SEC. 6. Any taxpayer who shall have paid within three years immediately preceding the approval of this Act any tax to the District involuntarily, and under circumstances which according to law would entitle such taxpayer to the right to sue at law for the recovery of such tax, may within ninety days from the approval of this Act, appeal from the imposition of such tax in the same manner and to the same extent as set forth in sections 3 and 4 of this title.</p>
<p>Notices.</p>	<p>“SEC. 7. Any sum finally determined by the Board to have been erroneously paid by or collected from the taxpayer shall be refunded by the District to the taxpayer from its annual appropriation for refunding erroneously paid taxes in said District.</p>
<p>Appeal from reassessment or redistribution.</p>	<p>“SEC. 8. The Board shall adopt and promulgate rules of procedure in matters for determination by the Board under the provisions of this title.</p>
<p>Appeal from imposition of tax involuntarily paid; suit.</p>	
<p>Refund of erroneous collections.</p>	
<p>Rules of procedure.</p>	

<sup>1</sup> So in original.

"SEC. 9. The Board is hereby authorized and empowered to summon any person before it to give testimony on oath or affirmation or to produce all books, records, papers, documents, or other legal evidence as to any matter relating to this title; and the Board is authorized to administer oaths and to take testimony for the purposes of the administration of this title. Such summons may be served by any member of the Metropolitan Police Department. If any person having been personally summoned shall neglect or refuse to obey the summons issued as herein provided, then and in that event the Board may report that fact to the District Court of the United States for the District of Columbia or one of the justices thereof, and said court or any justice thereof hereby is empowered to compel obedience to said summons to the same extent as witnesses may be compelled to obey the subpoenas of that court.

Authority to take testimony, etc.

Summons.

"SEC. 10. No suit shall be filed to enjoin the assessment or collection by the District of Columbia or any of its officers, agents, or employees of any tax.

Certain suits forbidden.

"SEC. 11. Any notice authorized or required under the provisions of this title may be given by mailing the same to the person for whom it is intended, addressed to such person at the address given in any return filed by him, or, if no return has been filed, then to his last-known address. The proof of mailing of any notice mentioned in this title shall be presumptive evidence of the receipt of the same by the person to whom addressed. Any period of time which must be determined under the provisions of this title by the giving of notice shall commence to run from the date of mailing of such notice.

Manner of serving notices.

"SEC. 12. All Acts or parts of Acts inconsistent with this title are hereby repealed.

Inconsistent laws, etc., repealed.

#### "TITLE X—REPEAL OF PROVISION FOR FEDERAL CONTRIBUTION

"There is repealed so much of an Act entitled 'An Act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1923, and for other purposes', approved June 29, 1922, as reads as follows: 'That, annually, from and after July 1, 1922, 60 per centum of such expenses of the District of Columbia as Congress may appropriate for shall be paid out of the revenues of the District of Columbia derived from taxation and privileges, and the remaining 40 per centum by the United States, excepting such items of expense as Congress may direct shall be paid on another basis; \* \* \*' and that after June 30, 1922, where the United States is the owner of ground or the holder thereof in trust for the public, upon which improvements have been made at the joint expense of the United States and the District of Columbia, the revenues therefrom shall first be used to pay the United States 3 per centum of the full value of the ground as a ground rent, and the remainder shall be divided between them in the same proportion that each contributed to said improvements, and for such purposes the assessor for the District of Columbia shall fix the full value of the ground after he has first made oath that he will fairly and impartially appraise the same; and that after June 30, 1922, any revenue derived from any activity or source whatever, including motor-vehicle licenses, not otherwise herein disposed of, which activity or source of revenue is appropriated for by both the United States and the District of Columbia, shall be divided between the two in the same proportion that each has contributed thereto; \* \* \*'.

Repeal of provision for Federal contribution.

42 Stat. 668.

## "TITLE XI—TAX ON BEER

Tax on beer.

48 Stat. 319; 50 Stat. 802.

Levy of 50 cents a barrel, sold in the District of Columbia; exceptions.

Manner of collection and payment.

Transportation restrictions.

Permits.

Regulations to be prescribed.

Deposit of tax collections.

"The District of Columbia Alcoholic Beverage Control Act approved January 24, 1934, as amended, is further amended by adding at the end thereof a new section to be numbered 40 and to read as follows:

"SEC. 40. (a) There shall be levied and collected by the District of Columbia on all beer sold by the holder of a manufacturer's or wholesaler's license, except such beer as may have been purchased from a licensee under this Act, and except such beer as may be sold to a dealer licensed under the laws of any State or Territory of the United States and not licensed under this Act, and on all beer purchased for resale by the holder of a retailer's license, except such beer as may have been purchased from a licensee under this Act, a tax of 50 cents for every barrel containing not more than thirty-one gallons and at a like rate for any other quantity or for the fractional parts thereof. Unless the Commissioners shall by regulation prescribe otherwise, the collection and payment of such tax shall be in the manner following:

"(1) Each holder of a manufacturer's or wholesaler's license shall, on or before the 10th day of each month, furnish to the assessor of the District of Columbia, on a form to be prescribed by the Commissioners, a statement under oath showing the quantity of beer subject to taxation hereunder sold by him during the preceding calendar month and shall, on or before the 15th day of each month, pay to the collector of taxes of the District of Columbia the tax hereby imposed upon the quantity of beer subject to taxation hereunder sold by him during the preceding calendar month.

"(2) No licensee holding a retailer's license shall transport or cause to be transported into the District of Columbia for resale any beer, other than the regular stock on hand in a passenger-carrying marine vessel operating in and beyond the District of Columbia, or a club car or a dining car on a railroad operating in and beyond the District of Columbia, for which a retailer's license, class C or D, has been issued under this Act, unless such licensee has first obtained a permit so to do from the Alcoholic Beverage Control Board. No such permit shall issue until the tax imposed by this section shall have been paid for the beer for which the permit is requested. Such permit shall specifically set forth the quantity, character, and brand or trade name of the beer to be transported and the names and addresses of the seller and of the purchaser. Such permit shall accompany such beer during its transportation in the District of Columbia to the licensed premises of such retail licensee and shall be exhibited upon the demand of any police officer or duly authorized inspector of the Board. Such permit shall, immediately upon receipt of the beer by the retail licensee, be marked "canceled" and retained by him.

"(b) The Commissioners are authorized and empowered to prescribe by regulation such other methods or devices or both for the assessment, evidencing of payment, and collection of the taxes imposed by this section in addition to or in lieu of the method hereinbefore set forth whenever, in their judgment, such action is necessary to prevent frauds or evasions.

"(c) The taxes imposed hereby, when collected, shall be deposited in the Treasury of the United States to the credit of the District of Columbia."

Approved, May 16, 1938.

## [CHAPTER 224]

## AN ACT

To protect the salaries of rural letter carriers who transfer from one rural route to another.

May 16, 1938  
[H. R. 3609]  
[Public, No. 520]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That effective as of July 1, 1934, subsection (d) of the first section of the Act entitled "An Act to adjust the salaries of rural letter carriers, and for other purposes", approved June 25, 1934, is hereby amended by adding at the end thereof a new sentence to read as follows: "Should any such carrier be transferred to another route or other routes, the salary which he was receiving on June 30, 1934, shall be protected to the same extent as such salary would, under the preceding sentence, have been protected had such carrier continued to serve the route or routes from which he was transferred and had the length of such route or routes been changed to correspond to that of such other route or routes."*

Approved, May 16, 1938.

Postal Service.  
Rural letter carriers.

48 Stat. 1213.  
39 U. S. C. § 197a.

Protection of salaries upon transfer to other routes.

## [CHAPTER 225]

## AN ACT

To correct United States citizenship status of certain persons born in Puerto Rico, and for other purposes

May 16, 1938  
[H. R. 4275]  
[Public, No. 521]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That a new section is hereby inserted between sections 5b and 6 of the Act entitled "An Act to provide a civil government for Porto Rico, and for other purposes", approved March 2, 1917, as amended, as follows:*

"**Sec. 5c.** That any person of good character, attached to the principles of the Constitution of the United States, and well disposed to the good order and happiness of the United States, and born in Puerto Rico on or after April 11, 1899, who has continued to reside within the jurisdiction of the United States, whose father elected on or before April 11, 1900, to preserve his allegiance to the Crown of Spain in accordance with the provisions of the treaty of peace between the United States and Spain entered into on April 11, 1899, and who, by reason of misinformation regarding his or her own citizenship status failed within the time limits prescribed by section 5 or section 5a hereof to exercise the privilege of establishing United States citizenship and has heretofore erroneously but in good faith exercised the rights and privileges and performed the duties of a citizen of the United States, and has not personally sworn allegiance to any foreign government or ruler upon or after attainment of majority, may make a sworn declaration of allegiance to the United States before any United States district court. Such declaration shall set forth facts concerning his or her birth in Puerto Rico, good character, attachment to the principles of the Constitution of the United States, and being well disposed to the good order and happiness of the United States, residence within the jurisdiction of the United States, and misinformation regarding United States citizenship status, and shall be accompanied by proof thereof satisfactory to the court. After making such declaration and submitting such proofs, such person shall be admitted to take the oath of allegiance before the court, and thereupon shall be considered a citizen of the United States."

Approved, May 16, 1938.

Puerto Rico, civil government.  
39 Stat. 953.  
48 U. S. C. § 733b.

U. S. citizenship status of certain persons born in Puerto Rico.

Procedure.



## [CHAPTER 226]

## AN ACT

May 16, 1938  
[H. R. 7259]  
[Public, No. 522]

To authorize the conveyance by the United States to the city of Ketchikan, Alaska, of a certain tract of land in the townsite of Ketchikan.

Ketchikan, Alaska.  
Conveyance of land  
to, upon completion  
of Federal building.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That upon the completion of the new Federal building now under construction at Ketchikan, Alaska, the Secretary of the Interior be, and he is hereby, authorized and directed to convey to the city of Ketchikan in the Territory of Alaska, for school purposes, all right, title, and interest of the United States in and to the tract described on the plat of survey of the townsite of Ketchikan as Courthouse Reserve in block 13.

Approved, May 16, 1938.

## [CHAPTER 227]

## AN ACT

May 16, 1938  
[H. R. 9601]  
[Public, No. 523]

To amend the Acts for promoting the circulation of reading matter among the blind.

Postal Service.  
Reading matter for  
the blind.  
33 Stat. 313; 37 Stat.  
551; 43 Stat. 668; 48  
Stat. 678.  
39 U. S. C. § 331.

Matter entitled to  
transmittal free of  
postage.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act approved April 27, 1904 (33 Stat. 313), the supplemental provision in the Act approved August 24, 1912 (37 Stat. 551), the joint resolution approved June 7, 1924 (43 Stat. 668), and the Act amending these Acts approved May 9, 1934 (48 Stat. 678, 39 U. S. C. 331), be, and the same are hereby, amended to read as follows:

“Books, pamphlets, and other reading matter published either in raised characters, whether prepared by hand or printed or in the form of sound-reproduction records for the use of the blind, in packages not exceeding the weight prescribed by the Postmaster General, and containing no advertising or other matter whatever, unsealed, and when sent by public institutions for the blind, or by any public libraries, as a loan to blind readers, or when returned by the latter to such institutions or public libraries; magazines, periodicals, and other regularly issued publications in such raised characters, whether prepared by hand or printed, or on sound-reproduction records (for the use of the blind), which contain no advertisements and for which no subscription fee is charged, shall be transmitted in the United States mails free of postage and under such regulations as the Postmaster General may prescribe.

Bibles.

“Volumes of the Holy Scriptures, or any part thereof, published either in raised characters, whether prepared by hand or printed, or in the form of sound-reproduction records for the use of the blind, which do not contain advertisements (a) when furnished by an organization, institution, or association not conducted for private profit, to a blind person without charge, shall be transmitted in the United States mails free of postage; (b) when furnished by an organization, institution, or association not conducted for private profit to a blind person at a price not greater than the cost price thereof, shall be transmitted in the United States mails at the postage rate of 1 cent for each pound or fraction thereof; under such regulations as the Postmaster General may prescribe.

Federally owned re-  
producers for sound-  
reproduction records  
when shipped for re-  
pairs; postage rate.

“Reproducers for sound-reproduction records for the blind or parts thereof which are the property of the United States Government, when shipped for repair purposes by an organization, institution, public library, or association for the blind not conducted for private profit, or by a blind person to an agency not conducted for

private profit, or from such an agency to an organization, institution, public library, or association for the blind not conducted for private profit, or to a blind person, may be transmitted through the mails at the rate of 1 cent per pound or fraction thereof; under such regulations as the Postmaster General may prescribe.

"The Postmaster General may in his discretion extend this rate of 1 cent per pound or fraction thereof to reproducers for sound-reproduction records for the blind, or parts thereof, which are the property of State governments or subdivisions thereof, or of public libraries, or of private agencies for the blind not conducted for private profit, or of blind individuals, under such regulations as he may prescribe.

"All letters written in point print or raised characters or on sound-reproduction records used by the blind, when unsealed, shall be transmitted through the mails as third-class matter."

Approved, May 16, 1938.

Extension of rate to reproducers owned by State governments, etc.

Transmission of letters written in raised characters, etc.

[CHAPTER 228]

JOINT RESOLUTION

To permit a compact or agreement between the States of Idaho and Wyoming respecting the disposition and apportionment of the waters of the Snake River and its tributaries, and for other purposes.

May 16, 1938  
[H. J. Res. 150]  
[Pub. Res., No. 94]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That consent of Congress is hereby given to the States of Idaho and Wyoming to negotiate and enter into a compact or agreement not later than January 1, 1940, providing for an equitable division and apportionment among said States of the water supply of the Snake River and of the streams tributary thereto, upon conditions that a suitable person shall be appointed by the President of the United States, from the Department of the Interior, who shall participate in said negotiations as the representative of the United States and shall make report to Congress of the proceedings and of any compact or agreement entered into: *Provided*, That any such compact or agreement shall not be binding or obligatory upon any of the parties thereto unless and until the same shall have been approved by the legislatures of each of said States and by the Congress of the United States: *And provided further*, That the rights of other nonparticipating interested States shall not be jeopardized by such compact: *Provided further*, That nothing in this Act shall apply to any waters within the Yellowstone National Park or the Grand Teton National Park or shall establish any right or interest in or to any lands within the boundaries thereof or any subsequent additions thereto.

SNAKE RIVER.  
Consent given to compact between Idaho and Wyoming for division of waters of.

Federal participation in negotiations.

Report to Congress.

Provisos.  
Approval.

Protection of rights of other States.

Waters of designated national parks not affected.

Amendment, etc.

SEC. 2. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, May 16, 1938.

[CHAPTER 234]

AN ACT

To convey to the University of Alaska a tract of land for use as the site of a fur farm experiment station.

May 17, 1938  
[H. R. 9912]  
[Public, No. 524]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That there is hereby conveyed to the University of Alaska, a corporation created, established, and existing under and by virtue of an Act of the Legislature

University of Alaska.  
Conveyance of certain land to.

## Description.

of the Territory of Alaska, a tract of land situated in the Tongass National Forest near the town of Petersburg, Alaska, for use as the site of a fur farm experiment station and described as follows:

Beginning at meander corner common to lot 4, section 35, township 59 south, range 79 east, Copper River meridian, and lot 4, section 2, township 60 south, range 79 east; thence with meander of Wrangell Narrows to meander corner common to lot 4, section 35, and lot 4, section 34; thence continuing meanders to southwest corner of home site numbered 614; thence following the boundary of said home site east five chains; thence north seven chains to north boundary of lot 4, section 35, township 59 south, range 79 east; thence east sixteen and seventy-five one-hundredths chains along said boundary to northeast corner said lot; thence south twenty chains along east boundary of said lot; thence west thirteen and sixty-nine one-hundredths chains to place of beginning. A public highway one chain wide passes through the tract, the center line of which begins at a point seven and seventy-three one-hundredths chains from the initial corner of the tract, and extends north twenty-two degrees fifty-five minutes west ten chains; thence north thirty-seven degrees fifty-five minutes east, approximately ten and seventy-five one-hundredths chains to east boundary of home site numbered 614. Total area of tract is thirty-six and ninety-three one-hundredths acres.

Approved, May 17, 1938.

## [CHAPTER 235]

## AN ACT

May 17, 1938  
[H. R. 9942]  
[Public, No. 525]

To authorize the conveyance of the Mattapoisett (Ned Point) Lighthouse Reservation at Mattapoisett, Massachusetts, to the town of Mattapoisett.

Mattapoisett (Ned Point) Lighthouse Reservation, Mass.  
Conveyance of portions of, to town for roadway, etc., purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for a price of not less than 50 per centum of the appraised value of the property hereinafter authorized to be conveyed, as may be established by the Treasury Department after due allowance for the value of any improvements which the town of Mattapoisett, Massachusetts, may have already erected on the property, the Secretary of the Treasury is authorized and directed to convey, by quitclaim deed, to the board of selectmen of the town of Mattapoisett, Massachusetts, for roadway and public-park purposes, such portions of the Mattapoisett (Ned Point) Lighthouse Reservation, Massachusetts, as are not required to be retained for lighthouse purposes. The deed of conveyance shall describe by metes and bounds the exact portions of the reservation transferred, and shall contain a clause reserving to the United States easements for the transportation of men and materials to and from the area retained by the United States and for the unobstructed showing of light rays between ninety degrees and three hundred and ten degrees true seaward from the light tower. The said deed shall further provide that the said town of Mattapoisett shall take the property conveyed by said deed subject to any encroachments thereon and subject to any defects or deficiencies in area or description arising by reason of discrepancies between the description in the deed to the United States and the description in the deed to the town.*

Approved, May 17, 1938.

## Deed.

## Easements reserved.

## Condition.

## [CHAPTER 236]

## AN ACT

Making appropriations for the Legislative Branch of the Government for the fiscal year ending June 30, 1939, and for other purposes.

May 17, 1938  
[H. R. 10216]  
[Public, No. 526]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Legislative Branch of the Government for the fiscal year ending June 30, 1939, namely:

Legislative Branch  
Appropriation Act,  
1939.

## SENATE

Senate.

## SALARIES AND MILEAGE OF SENATORS

Senators.

For compensation of Senators, \$960,000.

Compensation.

For mileage of the President of the Senate and of Senators, \$102,000, of which \$51,000 shall be available immediately for the third session of the Seventy-fifth Congress.

Mileage.

For compensation of officers, clerks, messengers, and others:

Officers, clerks, messengers, etc.

## OFFICE OF THE VICE PRESIDENT

Office of the Vice President.

Salaries: Secretary to the Vice President, \$4,620; clerk, \$2,400; assistant clerks—one \$2,280, one \$2,160; in all, \$11,460.

Salaries.

## CHAPLAIN

Chaplain.

Chaplain of the Senate, \$1,680.

## OFFICE OF THE SECRETARY

Office of the Secretary.

Salaries: Secretary of the Senate, including compensation as disbursing officer of salaries of Senators and of contingent fund of the Senate, \$8,000; Chief Clerk, who shall perform the duties of reading clerk, \$5,500 and \$1,000 additional so long as the position is held by the present incumbent; financial clerk, \$5,000 and \$2,000 additional so long as the position is held by the present incumbent; assistant financial clerk, \$4,500; Parliamentarian, \$5,000 and \$1,000 additional so long as the position is held by the present incumbent; Journal Clerk, \$3,780; principal clerk, \$3,780; legislative clerk, \$4,000 and \$1,000 additional so long as the position is held by the present incumbent; enrolling clerk, \$4,000 and \$1,000 additional so long as the position is held by the present incumbent; printing clerk, \$3,540; chief bookkeeper, \$3,600; librarian, \$3,360; assistant Journal Clerk, \$3,360; executive clerk, \$3,180; first assistant librarian, \$3,120; keeper of stationery, \$3,320; clerks—one at \$3,180, one at \$2,880 and \$300 additional so long as the position is held by the present incumbent, three at \$2,880 each, three at \$2,640 each, clerk in Disbursing Office, \$2,400, six at \$2,400 each, three at \$1,860 each, three at \$1,740 each; special officer, \$2,460; messenger, from April 15, 1938, to June 30, 1939, both dates inclusive, \$1,522.50; laborers—one at \$1,740, one at \$1,620, five at \$1,380 each, one in Secretary's office, \$1,680, one, \$1,560, one, \$1,260; in all, \$142,302.50.

Salaries.

## DOCUMENT ROOM

Document Room.

Salaries: Superintendent, \$3,960 and \$1,040 additional so long as the position is held by the present incumbent; first assistant, \$2,640; second assistant, \$2,040; four assistants, at \$2,040 each; skilled laborer, \$1,380; in all, \$19,220.

Salaries.

Committee employ-  
ees.

Clerks and messen-  
gers.

#### COMMITTEE EMPLOYEES

Clerks and messengers to the following committees: Agriculture and Forestry—clerk, \$3,900; assistant clerk, \$2,880; assistant clerk, \$2,580; assistant clerk, \$2,400; assistant clerk, \$2,220; additional clerk, \$1,800. Appropriations—clerk, \$7,000 and \$1,000 additional so long as the position is held by the present incumbent; assistant clerk, \$4,800; assistant clerk, \$3,900; three assistant clerks at \$3,000 each; two assistant clerks at \$2,220 each; messenger, \$1,800. To Audit and Control the Contingent Expenses of the Senate—clerk, \$3,900; assistant clerk, \$2,880; assistant clerk, \$2,400; assistant clerk, \$2,220; additional clerk, \$1,800. Banking and Currency—clerk, \$3,900; assistant clerk, \$2,880; assistant clerk, \$2,400; assistant clerk, \$2,220. Civil Service—clerk, \$3,900; assistant clerk, \$2,400; assistant clerk, \$2,220; additional clerk, \$1,800. Claims—clerk, \$3,900; assistant clerk, \$2,880; assistant clerk, \$2,580; two assistant clerks, at \$2,220 each. Commerce—clerk, \$3,900; assistant clerk, \$2,880; assistant clerk, \$2,580; assistant clerk, \$2,400; two assistant clerks, at \$2,220 each. Conference Majority of the Senate—clerk, \$3,900; assistant clerk, \$2,880; two assistant clerks at \$2,580 each; assistant clerk, \$2,220. Conference Minority of the Senate—clerk, \$3,900; assistant clerk, \$2,880; two assistant clerks at \$2,580 each; assistant clerk, \$2,220. District of Columbia—clerk, \$3,900; two assistant clerks at \$2,880 each; assistant clerk, \$2,220; additional clerk, \$1,800. Education and Labor—clerk, \$3,900; assistant clerk, \$2,580; assistant clerk, \$2,220; additional clerk, \$1,800. Enrolled Bills—clerk, \$3,900; assistant clerk, \$2,400; assistant clerk, \$2,220; additional clerk, \$1,800. Expenditures in the Executive Departments—clerk, \$3,900; assistant clerk, \$2,580; assistant clerk, \$2,220; additional clerk, \$1,800. Finance—clerk, \$4,200; special assistant to the committee, \$3,600; assistant clerk, \$2,880; assistant clerk, \$2,700; assistant clerk, \$2,400; two assistant clerks at \$2,220 each; two experts (one for majority and one for the minority) at \$3,600 each; messenger, \$1,800. Foreign Relations—clerk, \$3,900; assistant clerk, \$2,880; assistant clerk, \$2,580; assistant clerk, \$2,220; additional clerk, \$1,800; messenger, \$1,800. Immigration—clerk, \$3,900; assistant clerk, \$2,580; assistant clerk, \$2,220; additional clerk, \$1,800. Indian Affairs—clerk, \$3,900; assistant clerk, \$3,600, and \$1,400 additional so long as the position is held by the present incumbent; assistant clerk, \$2,880; assistant clerk, \$2,400; assistant clerk, \$2,220; additional clerk, \$1,800. Inter-oceanic Canals—clerk, \$3,900; assistant clerk, \$2,580; assistant clerk, \$2,220; additional clerk, \$1,800. Interstate Commerce—clerk, \$3,900; assistant clerk, \$3,600; assistant clerk, \$2,880; two assistant clerks at \$2,580 each; assistant clerk, \$2,220. Irrigation and Reclamation—clerk, \$3,900; assistant clerk, \$2,580; assistant clerk, \$2,220; two additional clerks at \$1,800 each. Judiciary—clerk, \$3,900; assistant clerk, \$2,880; two assistant clerks at \$2,580 each; assistant clerk, \$2,220. Library—clerk, \$3,900; two assistant clerks at \$2,400 each; assistant clerk, \$2,220; additional clerk, \$1,800. Manufactures—clerk, \$3,900; assistant clerk, \$2,400; assistant clerk, \$2,220; additional clerk, \$1,800. Military Affairs—clerk, \$3,900; assistant clerk, \$2,880; assistant clerk, \$2,580; assistant clerk, \$2,400; two assistant clerks at \$2,220 each. Mines and Mining—clerk, \$3,900; assistant clerk, \$2,400; assistant clerk, \$2,220; two additional clerks at \$1,800 each. Naval Affairs—clerk, \$3,900; assistant clerk, \$2,880; assistant clerk, \$2,400; two assistant clerks at \$2,220 each. Patents—clerk, \$3,900; assistant clerk, \$2,400; assistant clerk, \$2,220; additional clerk, \$1,800. Pensions—clerk, \$3,900; assistant clerk, \$2,580; four assistant clerks at \$2,220 each. Post Offices and Post Roads—clerk, \$3,900; assistant

clerk, \$2,880; four assistant clerks at \$2,220 each; additional clerk, \$1,800. Printing—clerk, \$3,900; assistant clerk, \$2,580; assistant clerk, \$2,220; additional clerk, \$1,800. Privileges and Elections—clerk, \$3,900; assistant clerk, \$2,400; assistant clerk, \$2,220; additional clerk, \$1,800. Public Buildings and Grounds—clerk, \$3,900; assistant clerk, \$2,400; assistant clerk, \$2,220; additional clerk, \$1,800. Public Lands and Surveys—clerk, \$3,900; assistant clerk, \$2,880; assistant clerk, \$2,580; two assistant clerks at \$2,220 each. Revision of the Laws—clerk, \$3,900; assistant clerk, \$2,400; assistant clerk, \$2,220; additional clerk, \$1,800. Rules—clerk, \$3,900 and \$200 toward the preparation biennially of the Senate Manual under the direction of the Committee on Rules; assistant clerk, \$2,880; assistant clerk, \$2,580; assistant clerk, \$2,220; additional clerk, \$1,800. Territories and Insular Affairs—clerk, \$3,900; assistant clerk, \$2,580; two assistant clerks at \$2,220 each; assistant clerk, \$2,000; additional clerk, \$1,800; in all, \$505,460.

Senate Manual.

## CLERICAL ASSISTANTS TO SENATORS

Clerical assistance to Senators who are not chairmen of the committees specially provided for herein, as follows: Seventy clerks at \$3,900 each; seventy assistant clerks at \$2,400 each; and seventy assistant clerks at \$2,220 each; such clerks and assistant clerks shall be ex officio clerks and assistant clerks of any committee of which their Senator is chairman; seventy additional clerks at \$1,800 each, one for each Senator having no more than one clerk and two assistant clerks for himself or for the committee of which he is chairman; messenger, \$1,800; in all, \$724,200.

Clerical assistants to Senators.

Allowance to Senators not chairmen of specified committees.

## OFFICE OF SERGEANT AT ARMS AND DOORKEEPER

Salaries: Sergeant at Arms and Doorkeeper, \$8,000; two secretaries (one for the majority and one for the minority), at \$5,400 each and \$1,000 additional each so long as the respective positions are held by the present respective incumbents; two assistant secretaries (one for the majority and one for the minority), at \$4,320 each; Deputy Sergeant at Arms and storekeeper, \$4,800; clerks—one \$3,000, one \$2,100, two at \$2,000 each, one \$1,800, one to the secretary for the majority, \$1,800, one to the secretary of the minority, \$1,800, one \$1,500; assistant doorkeeper, \$2,880; messengers—three (acting as assistant doorkeepers), at \$2,400 each; thirty-one (including four for minority), at \$1,740 each; four, at \$1,620 each; one at card door, \$2,640, and \$240 additional so long as the position is held by the present incumbent; clerk on journal work for Congressional Record to be selected by the Official Reporters, \$3,360; upholsterer and locksmith, \$2,400; cabinetmaker, \$2,040; three carpenters, at \$2,040 each; janitor, \$2,400; five skilled laborers, \$1,680 each; laborer in charge of private passage, \$1,740; four female attendants in charge of ladies' retiring rooms, at \$1,500 each; three attendants to women's toilet rooms, Senate Office Building, at \$1,500 each; telephone operators—chief, \$2,460 and \$280 additional so long as the position is held by the present incumbent; fourteen, at \$1,560 each; laborer in charge of Senate toilet rooms in old library space, \$1,200; press gallery—superintendent, \$3,660, assistant superintendent, \$2,520; assistant superintendent, \$2,400; messengers for service to press correspondents—three at \$1,440 each; laborers—three, at \$1,380 each, thirty at \$1,260 each, three at \$480 each; special employees—seven, at \$1,000 each; twenty-one pages for the Senate Chamber, at the rate of \$4 per day each, during the session, \$15,204; in all, \$264,844.

Office of Sergeant at Arms and Doorkeeper. Salaries.

Post, p. 1114.

Pages.

Police, Senate Office Building.

Police force for Senate Office Building under the Sergeant at Arms: Lieutenant, \$1,740; special officer, \$1,740; thirty-one privates at \$1,620 each; in all, \$53,700.

Post Office.

#### POST OFFICE

Salaries.

Salaries: Postmaster, \$3,600; assistant postmaster, \$2,880; chief clerk, \$2,460; wagon master, \$2,280; twenty-six mail carriers, at \$1,620 each; in all, \$53,340.

Folding Room.

#### FOLDING ROOM

Salaries.

Salaries: Foremen, \$2,460; assistant, \$2,160; clerk, \$1,740; folders—chief, \$2,040, fourteen at \$1,440 each; in all, \$28,560.

Contingent expenses.

#### CONTINGENT EXPENSES OF THE SENATE

Automobile for Vice President.

For purchase, exchange, driving, maintenance, and operation of an automobile for the Vice President, \$4,000.

Reporting debates.

For reporting the debates and proceedings of the Senate, payable in equal monthly installments, \$60,340.

Furniture; cleaning, repairing, etc.

For services in cleaning, repairing, and varnishing furniture, \$2,000.

Inquiries and investigations.

For expenses of inquiries and investigations ordered by the Senate, including compensation to stenographers of committees, at such rate as may be fixed by the Committee to Audit and Control the Contingent Expenses of the Senate, but not exceeding 25 cents per hundred words, \$150,000: *Provided*, That no part of this appropriation shall be expended for per diem and subsistence expenses except in accordance with the provisions of the Subsistence Expense Act of 1926, approved June 3, 1926, as amended.

*Proviso.*  
Per diem and subsistence.  
44 Stat. 688.  
5 U. S. C. §§ 821-833.

For payment of one-half of the salaries and other expenses of the Joint Committee on Internal Revenue Taxation as authorized by law, \$29,000.

Joint Committee on Internal Revenue Taxation; one-half expenses.

*Post*, p. 389.  
Folding, etc.

For folding speeches and pamphlets, at a rate not exceeding \$1 per thousand, \$18,000.

Fuel, oil, advertising, etc.

For materials for folding, \$1,500.

For fuel, oil, cotton waste, and advertising, exclusive of labor, \$2,000.

Senate kitchens and restaurants.

For repairs, improvements, equipment, and supplies for Senate kitchens and restaurants, Capitol Building and Senate Office Building, including personal and other services, to be expended from the contingent fund of the Senate, under the supervision of the Committee on Rules, United States Senate, \$35,000.

Motor vehicles.

For maintaining, exchanging, and equipping motor vehicles for carrying the mails and for official use of the offices of the Secretary and Sergeant at Arms, \$8,260.

Miscellaneous items.

For miscellaneous items, exclusive of labor, \$200,000.

Packing boxes.  
Postage stamps.

For packing boxes, \$970.

Postage stamps: For office of Secretary, \$350; office of Sergeant at Arms, \$150; in all, \$500.

Furniture; purchase, etc.

For materials for furniture and repairs of same, exclusive of labor, and for the purchase of furniture, \$8,000.

Stationery.

For stationery for Senators and for the President of the Senate, including \$7,500 for stationery for committees and officers of the Senate, \$31,500, of which sum \$12,000 shall be available immediately.

Warehouse rent.

For rent of warehouse for storage of public documents, \$2,000.

## HOUSE OF REPRESENTATIVES

## SALARIES AND MILEAGE OF MEMBERS

For compensation of Members of the House of Representatives, Delegates from Territories, and the Resident Commissioner from Puerto Rico, \$4,385,000.

For mileage of Representatives, the Delegate from Hawaii, and the Resident Commissioner from Puerto Rico, and for expenses of the Delegate from Alaska, \$342,000, of which amount \$171,000 shall be available immediately for the third session of the Seventy-fifth Congress.

For compensation of officers, clerks, messengers, and others:

## OFFICE OF THE SPEAKER

Salaries: Secretary to the Speaker, \$4,620; three clerks to the Speaker, at \$2,400 each; messenger to Speaker, \$1,680; in all, \$13,500.

## THE SPEAKER'S TABLE

Salaries: Parliamentarian \$4,500, and \$1,500 additional so long as the position is held by the present incumbent, and for preparing Digest of the Rules, \$1,000 per annum; Assistant Parliamentarian, \$2,760 and \$750 additional so long as the position is held by the present incumbent; messenger to Speaker's Table, \$1,740; in all, \$12,250.

## CHAPLAIN

Chaplain of the House of Representatives, \$1,680.

## OFFICE OF THE CLERK

Salaries: Clerk of the House of Representatives, including compensation as disbursing officer of the contingent fund, \$8,000; Journal clerk, two reading clerks, and tally clerk, at \$5,000 each; enrolling clerk, \$4,000; disbursing clerk, \$3,960 and \$1,040 additional so long as the position is held by the present incumbent; file clerk, \$3,780; chief bill clerk, \$3,540; assistant enrolling clerk, \$3,180 and \$720 additional so long as the position is held by the present incumbent; assistant to disbursing clerk, \$3,120 and \$780 additional so long as the position is held by the present incumbent; stationery clerk, \$2,880; librarian, \$2,760; assistant librarian, and assistant file clerk, at \$2,520 each; assistant Journal clerk, and assistant librarian, at \$2,460 each; clerks—one at \$2,460, three at \$2,340 each; bookkeeper, and assistant in disbursing office, at \$2,160 each; four assistants to chief bill clerk at \$2,100 each; stenographer to the Clerk, \$2,500; assistant in stationery room, \$1,740; three messengers at \$1,680 each; stenographer to Journal clerk, \$1,560; laborers—three at \$1,440 each, ten at \$1,260 each; telephone operators—assistant chief, \$1,800; twenty-three at \$1,560 each; substitute telephone operator, when required, at \$4 per day, \$1,460; property custodian and superintendent of furniture and repair shop, who shall be a skilled cabinetmaker or upholsterer and experienced in the construction and purchase of furniture, \$3,960; two assistant custodians at \$3,360 each; locksmith and typewriter repairer, \$1,860; messenger and clock repairer, \$1,740; operation, maintenance, and repair of motor vehicles, \$1,200; in all, \$172,300.

House of Representatives.

Members, etc.

Compensation.

Mileage.

Compensation of officers, clerks, etc.

Office of the Speaker.

Salaries.

Speaker's table.

Salaries.

Preparation of Digest of the Rules.

Chaplain.

Office of the Clerk.

Salaries.



Committee employ-  
ees.

# COMMITTEE EMPLOYEES

Clerks, messengers,  
and janitors.

Clerks, messengers, and janitors to the following committees: Accounts—clerk, \$3,300; assistant clerk, \$2,460; janitor, \$1,560. Agriculture—clerk, \$3,300; assistant clerk, \$2,460; janitor, \$1,560. Appropriations—clerk, \$7,000 and \$1,000 additional so long as the position is held by the present incumbent; assistant clerk, \$5,000 and \$2,500 additional so long as the position is held by the present incumbent; assistant clerk, \$3,900, and \$1,100 additional so long as the position is held by the present incumbent; two assistant clerks at \$3,900 each and \$600 each additional so long as the respective positions are held by the present respective incumbents; assistant clerk, \$3,900; assistant clerk, \$3,600 and \$900 additional so long as the position is held by the present incumbent; two assistant clerks at \$3,300 each; messenger, \$1,680; four clerk-stenographers, at the annual rate of \$1,800 each, one for each subcommittee of the Committee on Appropriations having jurisdiction over a regular annual appropriation bill as shall be designated by the Chairman of the Committee on Appropriations and to be appointed by the chairmen of the subcommittees so designated, subject to the approval of the Chairman, \$7,200. Banking and Currency—clerk, \$2,760; assistant clerk, \$1,740; janitor, \$1,260. Census—clerk, \$2,760; janitor, \$1,260. Civil Service—clerk, \$2,760; janitor, \$1,260. Claims—clerk, \$3,300; assistant clerk, \$1,740 and \$720 additional so long as the position is held by the present incumbent; janitor, \$1,260. Coinage, Weights, and Measures—clerk, \$2,760; janitor, \$1,260. Disposition of Executive Papers—clerk, \$2,760. District of Columbia—clerk, \$3,300; assistant clerk, \$2,460; janitor, \$1,260. Education—clerk, \$2,760; janitor, \$1,260. Election of the President, Vice President, and Representatives in Congress—clerk, \$2,760. Elections Numbered 1—clerk, \$2,760; janitor, \$1,260. Elections Numbered 2—clerk, \$2,760; janitor, \$1,260. Elections Numbered 3—clerk, \$2,760; janitor, \$1,260. Enrolled Bills—clerk, \$2,760; janitor, \$1,260. Expenditures in Executive Departments—clerk, \$3,300; janitor, \$1,260. Flood Control—clerk, \$2,760; janitor, \$1,260. Foreign Affairs—clerk, \$3,300; assistant clerk, \$2,460; janitor, \$1,260. Immigration and Naturalization—clerk, \$3,300; janitor, \$1,260. Indian Affairs—clerk, \$3,300; assistant clerk, \$2,460; janitor, \$1,260. Insular Affairs—clerk, \$2,760; janitor, \$1,260. Interstate and Foreign Commerce—clerk, \$3,900; additional clerk, \$2,640; assistant clerk, \$2,100; janitor, \$1,560. Irrigation and Reclamation—clerk, \$2,760; janitor, \$1,260. Invalid Pensions—clerk, \$3,300; assistant clerk, \$2,880; expert examiner, \$2,700; stenographer, \$2,640; janitor, \$1,500. Judiciary—clerk, \$3,900; assistant clerk, \$2,460; assistant clerk, \$1,980; janitor, \$1,560. Labor—clerk, \$2,760; assistant clerk, \$1,740; janitor, \$1,260. Library—clerk, \$2,760; janitor, \$1,260. Merchant Marine and Fisheries—clerk, \$2,760; assistant clerk, \$1,740; janitor, \$1,260. Military Affairs—clerk, \$3,300; assistant clerk, \$2,100; janitor, \$1,560. Mines and Mining—clerk, \$2,760; janitor, \$1,260. Naval Affairs—clerk, \$3,300; assistant clerk, \$2,100; janitor, \$1,560. Patents—clerk, \$2,760; janitor, \$1,260. Pensions—clerk, \$3,300; assistant clerk, \$2,160; janitor, \$1,260. Post Office and Post Roads—clerk, \$3,300; assistant clerk, \$2,100; janitor, \$1,560. Printing—clerk, \$2,760; janitor, \$1,260. Public Buildings and Grounds—clerk, \$3,300; assistant clerk, \$1,740; janitor, \$1,260. Public Lands—clerk, \$2,760; assistant clerk, \$1,740; janitor, \$1,260. Revision of the Laws—clerk, \$3,300; janitor, \$1,260. Rivers and Harbors—clerk, \$3,300; assistant clerk, \$2,460; janitor, \$1,560. Roads—clerk, \$2,760; assistant clerk, \$1,740; janitor, \$1,260. Rules—clerk, \$3,300; assistant clerk, \$2,100; janitor, \$1,260. Territories—clerk, \$2,760; janitor, \$1,260. War

Claims—clerk, \$3,300; assistant clerk, \$1,740; janitor, \$1,260. Ways and Means—clerk, \$4,620; assistant clerk and stenographer, \$2,640; assistant clerk, \$2,580; clerk for minority, \$3,180; janitors—one, \$1,560; two at \$1,260 each. World War Veterans' Legislation—clerk, \$3,300; assistant clerk, \$2,460; in all, \$318,880.

## OFFICE OF SERGEANT AT ARMS

Office of Sergeant at Arms.

Salaries: Sergeant at Arms, \$8,000; Deputy Sergeant at Arms in charge of mace, \$3,180; cashier, \$6,000; assistant cashier, \$4,000; two bookkeepers, at \$3,360 each; Deputy Sergeant at Arms in charge of pairs, \$3,600; pair clerk and messenger, \$2,820; stenographer and typewriter, \$1,800; skilled laborer, \$1,380; hire of automobile, \$600; in all, \$38,100.

Salaries.

Police force, House Office Building, under the Sergeant at Arms: Lieutenant, \$1,740; sergeant, \$1,680; thirty-seven privates at \$1,620 each; in all, \$63,360.

Police, House Office Building.

## OFFICE OF DOORKEEPER

Office of Doorkeeper.

Salaries: Doorkeeper, \$6,000; special employee, \$2,820; superintendent of House press gallery, \$3,660; assistants to the superintendent of the House press gallery—one at \$2,520 and one at \$2,400; chief janitor, \$2,700; messengers—seventeen at \$1,740 each, fourteen on soldiers' roll at \$1,740 each; laborers—seventeen at \$1,260 each, two (cloakroom) at \$1,380 each, one (cloakroom) \$1,260, and seven (cloakroom) at \$1,140 each; three female attendants in ladies' retiring rooms at \$1,680 each, attendant for the ladies' reception room, \$1,440; superintendent of folding room, \$3,180; foreman of folding room, \$2,640; chief clerk to superintendent of folding room, \$2,460; three clerks at \$2,160 each; janitor, \$1,260; laborer, \$1,260; thirty-one folders at \$1,440 each; shipping clerk, \$1,740; two drivers at \$1,380 each; two chief pages at \$1,980 each; two telephone pages at \$1,680 each; two floor managers of telephones (one for the minority) at \$3,180 each; two assistant floor managers in charge of telephones (one for the minority) at \$2,100 each; forty-seven pages, during the session, including ten pages for duty at the entrances to the Hall of the House, at \$4 per day each, \$34,028; superintendent of document room (Elmer A. Lewis), \$3,960 and \$1,040 additional so long as the position is held by the present incumbent; assistant superintendent of document room, \$2,760 and \$420 additional so long as the position is held by the present incumbent; clerk, \$2,320; assistant clerk, \$2,160; eight assistants at \$1,860 each; janitor, \$1,440; messenger to press room, \$1,560; maintenance and repair of folding room motortruck, \$500; in all, \$263,308.

Salaries.

Folding room.

Pages.

Document room.

## SPECIAL AND MINORITY EMPLOYEES

Special and minority employees.

For the minority employees authorized and named in the House Resolutions Numbered 51 and 53 of December 11, 1931, and Number 281 of July 21, 1937: Two at \$5,000 each, three at \$2,820 each; one at \$3,600 (minority pair clerk, House Resolution Numbered 313 of August 7, 1935); in all, \$22,060.

Minority employees.

Special employees: Assistant foreman of the folding room, authorized in the resolution of September 30, 1913, \$1,980; laborer, authorized and named in the resolution of April 28, 1914, \$1,380; laborer, \$1,380; in all, \$4,740.

Special employees.

Successors to any of the employees provided for in the two preceding paragraphs may be named by the House of Representatives at any time.

Appointment of successors.

Office of majority floor leader.

Office of majority floor leader: Legislative clerk, \$3,110; clerk, \$2,530; two assistant clerks, at \$1,800 each; for official expenses of the majority leader, as authorized by House Resolution Numbered 101, Seventy-first Congress, adopted December 18, 1929, \$2,000; in all, \$11,240.

Conference minority.

Conference minority: Clerk, \$3,180; legislative clerk, \$3,060; assistant clerk, \$2,100; janitor, \$1,560; in all, \$9,900. The foregoing employees to be appointed by the minority leader.

Caucus rooms, messengers.

Two messengers, one in the majority caucus room and one in the minority caucus room, to be appointed by the majority and minority whips, respectively, at \$1,740 each; in all, \$3,480.

Post Office.

#### POST OFFICE

Salaries.

Salaries: Postmaster, \$5,000; assistant postmaster, \$2,880; two registry and money-order clerks, at \$2,100 each; forty messengers (including one to superintend transportation of mails), at \$1,740 each; substitute messengers and extra services of regular employees, when required, at the rate of not to exceed \$145 per month each, \$1,740; laborer, \$1,260; in all, \$84,680.

Motor vehicles.

For the purchase, exchange, maintenance, and repair of motor vehicles for carrying the mails, \$2,500.

Official reporters of debates.

#### OFFICIAL REPORTERS OF DEBATES

Salaries.

Salaries: Six official reporters of the proceedings and debates of the House at \$7,500 each; clerk, \$4,000; assistant clerk, \$2,000; six expert transcribers at \$2,000 each; in all, \$63,000.

#### COMMITTEE STENOGRAPHERS

Stenographers to committees.

Salaries: Four stenographers to committees, at \$7,000 each; clerk, \$3,360; in all, \$31,360.

"During the session" construed.

Whenever the words "during the session" occur in the foregoing paragraphs they shall be construed to mean the one hundred and eighty-one days from January 1 to June 30, 1939, both inclusive.

Members, etc.

#### CLERK HIRE, MEMBERS AND DELEGATES

Clerk hire, etc.

For clerk hire necessarily employed by each Member and Delegate, and the Resident Commissioner from Puerto Rico, in the discharge of his official and representative duties, in accordance with the Act entitled "An Act to fix the compensation of officers and employees of the legislative branch of the Government", approved June 20, 1929, \$2,190,000.

46 Stat. 38.  
2 U. S. C. § 60b.

Contingent expenses.

#### CONTINGENT EXPENSES OF THE HOUSE

Furniture, etc.

For furniture and materials for repairs of the same, including not to exceed \$27,500 for labor, tools, and machinery for furniture repair shops, \$41,500.

Packing boxes.

For packing boxes, \$2,500.

Miscellaneous items.

For miscellaneous items, exclusive of salaries unless specifically ordered by the House of Representatives, including reimbursement to the official stenographers to committees for the amounts actually paid out by them for transcribing hearings, and including materials for folding, \$96,500, of which \$18,000 shall be available immediately.

Reports of committee hearings.

For stenographic reports of hearings of committees other than special and select committees, \$30,000, of which amount not to exceed \$10,000 shall be available immediately.

Special and select committees.

For expenses of special and select committees authorized by the House, \$60,000.

For payment of one-half of the salaries and other expenses of the Joint Committee on Internal Revenue Taxation as authorized by law, \$29,000.

Joint Committee on Internal Revenue Taxation; one-half expenses.  
*Ante*, p. 384.  
Expenditures restricted.

No part of the appropriations contained herein for the contingent expenses of the House of Representatives shall be used to defray the expenses of any committee consisting of more than six persons (not more than four from the House and not more than two from the Senate), nor to defray the expenses of any other person except the Sergeant at Arms of the House or a representative of his office and except the widow or minor children or both of the deceased, to attend the funeral rites and burial of any person who at the time of his or her death is a Representative, a Delegate from a Territory, or a Resident Commissioner from Puerto Rico.

Funeral expenses, limitation.

For telegraph and telephone service, exclusive of personal services, \$85,000.

Telegraph and telephone service.

For stationery for Representatives, Delegates, and the Resident Commissioner from Puerto Rico, for the third session of the Seventy-fifth Congress and the first session of the Seventy-sixth Congress, and for stationery for the use of the committees and officers of the House (not to exceed \$5,000), \$114,500, of which sum \$54,750 shall be available immediately.

Stationery.

For medical supplies, equipment, and contingent expenses for the emergency room and for the attending physician and his assistants, including an allowance of not to exceed \$30 per month each to three assistants as provided by the House resolutions adopted July 1, 1930, and January 20, 1932, \$3,500.

Emergency room, expenses.

Postage stamps: Postmaster, \$200; Clerk, \$400; Sergeant at Arms, \$250; Doorkeeper, \$100; in all, \$950.

Postage stamps.

For folding speeches and pamphlets, at a rate not exceeding \$1 per thousand, \$25,000, to be available immediately.

Folding, etc.

For preparation and editing of the laws as authorized by the Act approved May 29, 1928 (1 U. S. C., 59), \$6,500, to be expended under the direction of the Committee on Revision of the Laws.

United States Code, preparation, etc.  
45 Stat. 1008.  
1 U. S. C. § 59.

For assistants in compiling lists of reports to be made to Congress by public officials; compiling copy and revising proofs for the House portion of the Official Register; preparing and indexing the statistical reports of the Clerk of the House; compiling the telephone and Members' directories; preparing and indexing the daily calendars of business; preparing the official statement of Members' voting records; preparing lists of congressional nominees and statistical summary of elections; preparing and indexing questions of order printed in the Appendix to the Journal pursuant to House Rule III; for recording and filing statements of political committees and candidates for election to the House of Representatives pursuant to the Federal Corrupt Practices Act, 1925 (2 U. S. C., 241-256); and for such other assistance as the Clerk of the House may deem necessary and proper in the conduct of the business of his office, \$4,500: *Provided*, That no part of this appropriation shall be used to augment the annual salary of any employee of the House of Representatives.

Assistants to Clerk of House.  
Specified objects.

Political committees, etc., recording and filing statements.  
43 Stat. 1070.  
2 U. S. C. §§ 241-256.

*Proviso*.  
Restriction.

For exchange, driving, maintenance, repair, and operation of an automobile for the Speaker, \$4,000.

Automobile for Speaker.

### CAPITOL POLICE

Capitol Police.

Salaries: Captain, \$2,700; three lieutenants, at \$1,740 each; two special officers, at \$1,740 each; three Sergeants, at \$1,680 each; fifty-two privates, at \$1,620 each; one-half of said privates to be selected by the Sergeant at Arms of the Senate and one-half by the

Salaries.

Provisos.  
Requirements for  
appointment.

Details for police  
duty on Capitol  
Grounds.

Uniforms, etc.

Division of dis-  
bursements.

Joint Committee on  
Printing.

Salaries.

28 Stat. 603.  
44 U. S. C. § 49.  
Congressional Di-  
rectory.

Office of Legislative  
Counsel.

Salaries and ex-  
penses.

Statement of appro-  
priations.

Preparation, second  
and third sessions,  
Seventy-fifth Con-  
gress.

Architect of the  
Capitol.

Salaries.

Capitol Buildings  
and Grounds.

Capitol Buildings.

Sergeant at Arms of the House; in all, \$100,680: *Provided*, That no part of any appropriation contained in this Act shall be paid as compensation to any person appointed after June 30, 1935, as an officer or member of the Capitol Police (including those for the Senate and House Office Buildings) who does not meet the standards to be prescribed for such appointees by the Capitol Police Board: *Provided further*, That the Capitol Police Board is hereby authorized to detail police from the House and Senate Office Buildings for police duty on the Capitol Grounds.

For purchasing and supplying uniforms, purchase, exchange, maintenance, and repair of motor-propelled passenger-carrying vehicles, contingent expenses, including \$25 per month for extra services performed by a member of such force for the Capitol Police Board, \$9,400.

One-half of the foregoing amounts under "Capitol Police" shall be disbursed by the Secretary of the Senate and one-half by the Clerk of the House.

## JOINT COMMITTEE ON PRINTING

Salaries: Clerk, \$4,000 and \$800 additional so long as the position is held by the present incumbent; inspector under section 20 of the Act approved January 12, 1895 (44 U. S. C., 49), \$2,820; assistant clerk and stenographer, \$2,640; for expenses of compiling, preparing, and indexing the Congressional Directory, \$1,600; in all, \$11,860, one-half to be disbursed by the Secretary of the Senate and the other half to be disbursed by the Clerk of the House.

## OFFICE OF LEGISLATIVE COUNSEL

For salaries and expenses of maintenance of the office of Legislative Counsel, as authorized by law, \$77,500, of which \$37,500 shall be disbursed by the Secretary of the Senate and \$40,000 by the Clerk of the House of Representatives.

## STATEMENT OF APPROPRIATIONS

For preparation, under the direction of the Committees on Appropriations of the Senate and House of Representatives of the statements for the second and third sessions of the Seventy-fifth Congress, showing appropriations made, indefinite appropriations, and contracts authorized, together with a chronological history of the regular appropriation bills, as required by law, \$4,000, to be paid to the persons designated by the chairmen of such committees to do the work.

## ARCHITECT OF THE CAPITOL

### OFFICE OF THE ARCHITECT OF THE CAPITOL

Salaries: For the Architect of the Capitol, Assistant Architect of the Capitol, and other personal services at rates of pay provided by law; and the Assistant Architect of the Capitol shall act as Architect of the Capitol during the absence or disability of that official or whenever there is no Architect; \$59,100.

### CAPITOL BUILDINGS AND GROUNDS

Capitol Buildings: For necessary expenditures for the Capitol Building and electrical substations of the Senate and House Office Buildings, under the jurisdiction of the Architect of the Capitol,

including minor improvements, maintenance, repair, equipment, supplies, material, fuel, oil, waste, and appurtenances; furnishings and office equipment; special clothing for workmen; personal and other services; cleaning and repairing works of art; purchase or exchange (not to exceed \$1,000), maintenance, and driving of motor-propelled passenger-carrying office vehicle; not exceeding \$300 for the purchase of technical and necessary reference books, periodicals, and city directory; \$287,000.

Appropriations under the control of the Architect of the Capitol shall be available for expenses of travel on official business not to exceed in the aggregate under all funds the sum of \$1,500.

Capitol Grounds: For care and improvement of grounds surrounding the Capitol, Senate and House Office Buildings; Capitol power plant; personal and other services; care of trees; planting; fertilizers; repairs to pavements, walks, and roadways; purchase of waterproof wearing apparel; maintenance of signal lights; and for snow removal by hire of men and equipment or under contract without compliance with sections 3709 (41 U. S. C., 5) and 3744 (41 U. S. C., 16) of the Revised Statutes, \$101,000.

Legislative garage: For maintenance, repairs, alterations, personal and other services, and all necessary incidental expenses, \$9,000.

Subway transportation, Capitol and Senate Office Buildings: For repairs, rebuilding, and maintenance of the subway system connecting the Senate Office Building with the Senate wing of the United States Capitol and for personal and other services, including maintenance of the cars, track, and electrical equipment connected therewith, \$6,000.

Senate Office Building: For maintenance, miscellaneous items and supplies, including furniture, furnishings, and equipment and for labor and material incident thereto and repairs thereof; and for personal and other services for the care and operation of the Senate Office Building, under the direction and supervision of the Senate Committee on Rules, acting through the Architect of the Capitol, who shall be its executive agent; in all, \$259,909.

For increasing the salaries of twenty-six custodial, grade 2, employees from \$1,080 to \$1,140, \$1,560.

For metal filing units, \$5,000.

House Office Buildings: For maintenance, including equipment, miscellaneous items, and for all necessary services, \$375,240.

Capitol Power Plant: For lighting, heating, and power for the Capitol, Senate and House Office Buildings, Supreme Court Building, Congressional Library Buildings, and the grounds about the same, Botanic Garden, legislative garage, and folding and storage rooms of the Senate, and for air-conditioning refrigeration not supplied from plants in any of such buildings; for heating the Government Printing Office and Washington City Post Office and for light and power therefor whenever available; personal and other services, engineering instruments, fuel, oil, materials, labor, advertising, and purchase of waterproof wearing apparel in connection with the maintenance and operation of the plant, \$542,930.

The unexpended balance on June 30, 1938, of the allocation of \$462,250 made available immediately under the appropriation for the Capitol Power Plant, contained in the Legislative Branch Appropriation Act, 1938, is hereby continued available for the same purposes until June 30, 1939.

The appropriations under the control of the Architect of the Capitol may be expended without reference to section 4 of the Act approved June 17, 1910 (41 U. S. C. 7), concerning purchases for executive departments.

Maintenance, repair, etc.

Travel, etc., expenses.

Capitol Grounds.

R. S. §§ 3709, 3744.  
41 U. S. C. §§ 5, 16.

Legislative garage.

Subway transportation, Capitol and Senate Office Buildings.

Senate Office Building, maintenance, etc.

Custodial employees, salary increases.

Metal filing units.

House Office Buildings, maintenance, etc.

Post, p. 1115.  
Capitol Power Plant, maintenance.

Unexpended balance continued available.

50 Stat. 180.

Purchases independent of Procurement Division, Treasury Department.  
36 Stat. 531.  
41 U. S. C. § 7.

Charles R. Torbert  
and Harry M. Reynolds,  
employment.

The Architect of the Capitol may continue the employment under his jurisdiction of Charles R. Torbert and Harry M. Reynolds notwithstanding any provision of any other law or regulation to the contrary.

Reimbursement for  
heat, etc., to designated  
buildings.

The Government Printing Office and the Washington City Post Office shall reimburse the Capitol Power Plant for heat, light, and power whenever any such service is furnished during the fiscal year 1939, and the amounts so reimbursed shall be covered into the Treasury.

Library buildings  
and grounds.

#### LIBRARY BUILDINGS AND GROUNDS

Salaries.

Salaries: For chief engineer and all personal services at rates of pay provided by law, \$72,000.

Sunday opening.

Salaries, Sunday opening: For extra services of employees and additional employees under the Architect of the Capitol to provide for the opening of the Library Buildings on Sundays and on holidays, at rates to be fixed by such Architect, \$5,000.

Maintenance, repair,  
etc.

For necessary expenditures for the Library Buildings and Grounds under the jurisdiction of the Architect of the Capitol, including minor improvements, maintenance, repair, equipment, supplies, material, and appurtenances, and personal and other services in connection with the mechanical and structural maintenance of such buildings and grounds, \$34,500.

Furniture, etc.

For furniture, including partitions, screens, shelving, and electrical work pertaining thereto and repairs thereof, \$20,000.

Botanic Garden.

#### BOTANIC GARDEN

Salaries.

Salaries: For personal services (including not exceeding \$3,000 for miscellaneous temporary labor without regard to the Classification Act of 1923, as amended), \$81,000; all under the direction of the Joint Committee on the Library.

Maintenance, repairs,  
etc.

Maintenance, operation, repairs, and improvements: For all necessary expenses incident to maintaining, operating, repairing, and improving the Botanic Garden, and the nurseries, buildings, grounds, and equipment pertaining thereto, including procuring fertilizers, soils, tools, trees, shrubs, plants, and seeds; materials and miscellaneous supplies, including rubber boots and aprons when required for use by employees in connection with their work; not to exceed \$25 for emergency medical supplies; disposition of waste; traveling expenses of the director and his assistants not to exceed \$250; street-car fares not exceeding \$25; office equipment and contingent expenses; the prevention and eradication of insect and other pests and plant diseases by purchase of materials and procurement of personal services by contract without regard to the provisions of any other Act; repair, maintenance, operation, purchase, and exchange, of motor trucks and a passenger motor vehicle (the cost of such passenger vehicle not to exceed \$750, including the amount allowed on any vehicle given in part payment therefor); purchase of botanical books, periodicals, and books of reference, not to exceed \$100; repairs and improvements to director's residence; and all other necessary expenses; all under the direction of the Joint Committee on the Library; \$33,350.

Purchases without  
advertising.

R. S. § 3709.  
41 U. S. C. § 5.

The sum of \$300 may be expended at any one time by the Botanic Garden for the purchase of plants, trees, shrubs, and other nursery stock, without reference to section 3709 of the Revised Statutes (41 U. S. C. 5).

Distribution of  
nursery stock.

No part of the appropriations contained herein for the Botanic Garden shall be used for the distribution, by congressional allotment, of trees, plants, shrubs, or other nursery stock.

The purchase of supplies and equipment and the procurement of services at the Botanic Garden may be made in the open market without compliance with sections 3709 and 3744 of the Revised Statutes of the United States in the manner common among businessmen, when the aggregate amount of the purchase or the services does not exceed \$50 in any instance.

Open market purchases of supplies.  
R. S. §§ 3709, 3744.  
41 U. S. C. §§ 5, 16.

## LIBRARY OF CONGRESS

Library of Congress.

### SALARIES

Salaries.

For the Librarian, Chief Assistant Librarian, Chief Reference Librarian, and other personal services, including special and temporary services and extra special services of regular employees (not exceeding \$2,000) at rates to be fixed by the Librarian, \$1,054,200.

Librarian and personnel.

For the Register of Copyrights, assistant register, and other personal services, \$255,400.

Register of Copyrights, etc.

### LEGISLATIVE REFERENCE SERVICE

Legislative Reference Service.

Personnel.

To enable the Librarian of Congress to employ competent persons to gather, classify, and make available, in translations, indexes, digests, compilations, and bulletins, and otherwise, data for or bearing upon legislation, and to render such data serviceable to Congress, and committees and Members thereof, and for printing and binding the digests of public general bills, and including not to exceed \$5,700 for employees engaged on piecework and work by the day or hour at rates to be fixed by the Librarian, \$99,500.

### DISTRIBUTION OF CARD INDEXES

Card indexes.

For the distribution of card indexes and other publications of the Library, including personal services, freight charges (not exceeding \$500), expressage, postage, traveling expenses connected with such distribution, expenses of attendance at meetings when incurred on the written authority and direction of the Librarian, and including not to exceed \$58,500 for employees engaged in piecework and work by the day or hour and for extra special services of regular employees at rates to be fixed by the Librarian; in all, \$210,000.

Distribution, etc.

### INDEX TO STATE LEGISLATION

State legislation.

To enable the Librarian of Congress to prepare an index to the legislation of the several States, together with a supplemental digest of the more important legislation, as authorized and directed by the Act entitled "An Act providing for the preparation of a biennial index to State legislation", approved February 10, 1927 (2 U. S. C. 164, 165), including personal and other services within and without the District of Columbia, including not to exceed \$2,500 for special and temporary services at rates to be fixed by the Librarian, travel, necessary material and apparatus, and for printing and binding the indexes and digests of State legislation for official distribution only, and other printing and binding incident to the work of compilation, stationery, and incidentals, \$32,000.

Preparation of index and digest of

44 Stat. 1066.  
2 U. S. C. §§ 164, 165.

Temporary services.

### SUNDAY OPENING

To enable the Library of Congress to be kept open for reference use on Sundays and on holidays within the discretion of the Librarian, including the extra services of employees and the services of additional employees under the Librarian, at rates to be fixed by the Librarian, \$22,000.

Sunday, etc., opening, expenses.



## Union catalogues.

## UNION CATALOGUES

Development,  
maintenance, etc.

To continue the development and maintenance of the Union Catalogues, including personal services within and without the District of Columbia (and not to exceed \$700 for special and temporary services, including extra special services of regular employees, at rates to be fixed by the Librarian), travel, necessary material and apparatus, stationery, photostat supplies, and incidentals, \$23,300.

Increase of the  
Library.

## INCREASE OF THE LIBRARY

Purchase of books,  
etc.

For purchase of books, miscellaneous periodicals and newspapers, and all other material for the increase of the Library, including payment in advance for subscription books and society publications, and for freight, commissions, and traveling expenses, including expenses of attendance at meetings when incurred on the written authority and direction of the Librarian in the interest of collections, and all other expenses incidental to the acquisition of books, miscellaneous periodicals and newspapers, and all other material for the increase of the Library, by purchase, gift, bequest, or exchange, \$112,000, to continue available during the fiscal year 1940.

Law books, etc.

For the purchase of books and for periodicals for the law library, including payment for legal society publications and for freight, commissions, and all other expenses incidental to the acquisition of law books, \$70,000, to continue available during the fiscal year 1940.

Availability.  
Reference books for  
Supreme Court.

For the purchase of books and periodicals for the Supreme Court, to be a part of the Library of Congress, and purchased by the Marshal of the Supreme Court, under the direction of the Chief Justice, \$8,000.

## BOOKS FOR ADULT BLIND

Books for adult  
blind.  
46 Stat. 1487.  
2 U. S. C. § 135a;  
Supp. III, § 135a.

To enable the Librarian of Congress to carry out the provisions of the Act entitled "An Act to provide books for the adult blind", approved March 3, 1931 (2 U. S. C. 135a), as amended, \$275,000, including not exceeding \$500 for necessary traveling expenses connected with such service and for expenses of attendance at meetings when incurred on the written authority and direction of the Librarian.

## PRINTING AND BINDING

Printing and bind-  
ing.

For miscellaneous printing and binding for the Library of Congress, including the Copyright Office, and the binding, rebinding, and repairing of library books, and for the Library Building, \$258,500.

Catalogue of Title  
Entries.

For the publication of the Catalogue of Title Entries of the Copyright Office and the decisions of the United States courts involving copyright, \$50,000.

Catalog cards.

For the printing of catalog cards, \$155,000.

## CONTINGENT EXPENSES OF THE LIBRARY

Contingent expen-  
ses.

For miscellaneous and contingent expenses, stationery, office supplies, stock, and materials directly purchased, miscellaneous traveling expenses, postage, transportation, incidental expenses connected with the administration of the Library and Copyright Office, including not exceeding \$500 for expenses of attendance at meetings when incurred on the written authority and direction of the Librarian, \$9,000.

Photoduplicating  
expenses.

For paper, chemicals, and miscellaneous supplies necessary for the operation of the photoduplicating machines of the Library and the making of photoduplicate prints, \$5,000.

## LIBRARY BUILDINGS

Library buildings.

Salaries: For the superintendent, disbursing officer, and other personal services, in accordance with the Classification Act of 1923, as amended, including special and temporary services and special services of regular employees in connection with the custody, care, and maintenance of the Library Buildings, in the discretion of the Librarian (not exceeding \$750), at rates to be fixed by the Librarian, \$268,600.

Salaries.

For extra services of employees and additional employees under the Librarian to provide for the opening of the Library Buildings on Sundays and on holidays, at rates to be fixed by the Librarian, \$9,000.

Sunday, etc., opening.

For mail, delivery, including purchase or exchange, maintenance, operation, and repair of a motor-propelled passenger-carrying vehicle, and telephone services, rubber boots, rubber coats, and other special clothing for workmen, uniforms for guards and elevator conductors, medical supplies, equipment, and contingent expenses for the emergency room, stationery, miscellaneous supplies, and all other incidental expenses in connection with the custody and maintenance of the Library Buildings, \$16,700.

Incidentals, etc.

For any expense of the Library of Congress Trust Fund Board not properly chargeable to the income of any trust fund held by the Board, \$500.

Trust Fund Board, expenses.

## GOVERNMENT PRINTING OFFICE

Government Printing Office.

To provide the Public Printer with a working capital for the following purposes for the execution of printing, binding, lithographing, mapping, engraving, and other authorized work of the Government Printing Office for the various branches of the Government: For salaries of Public Printer and Deputy Public Printer; for salaries, compensation, or wages of all necessary officers and employees additional to those herein appropriated for, including employees necessary to handle waste paper and condemned material for sale; to enable the Public Printer to comply with the provisions of law granting holidays and half holidays and Executive orders granting holidays and half holidays with pay to employees; to enable the Public Printer to comply with the provisions of law granting leave to employees with pay, said pay to be at the rate for their regular positions at the time the leave is granted; rental of buildings and equipment, fuel, gas, heat, electric current, gas and electric fixtures; bicycles, motor-propelled vehicles for the carriage of printing and printing supplies, and the maintenance, repair, and operation of the same, to be used only for official purposes, including operation, repair, and maintenance of motor-propelled passenger-carrying vehicles, and the purchase or exchange of two such passenger vehicles (at a cost, including the allowance on any vehicle given in part payment therefor, of not to exceed \$1,000 and \$750, respectively), for official use of the officers of the Government Printing Office when in writing ordered by the Public Printer; freight, expressage, telegraph and telephone service, furniture, typewriters, and carpets; traveling expenses; stationery, postage, and advertising; directories, technical books, newspapers and magazines, and books of reference (not exceeding \$500); adding and numbering machines, time stamps, and other machines of similar character; rubber boots, coats, and gloves; machinery (not exceeding \$300,000); equipment, and for repairs to machinery, implements, and buildings,

Working capital for execution of printing, binding, etc.

Public Printer, Deputy, etc.

Leaves of absence, etc.

Vehicles.

Machinery, etc.

Indexes, Congressional Record.

Federal Register.  
49 Stat. 500.  
44 U. S. C., Supp.  
III, §§ 301-314.

*Proviso.*  
Working capital, return of portion as unexpended balance.

Congressional work.

Payment for work ordered by departments, etc.

*Proviso.*  
Adjustments.

Crediting to working capital of sums paid for work.

Estimates for departments, etc., incorporation in a single item.

and for minor alterations to buildings; necessary equipment, maintenance, and supplies for the emergency room for the use of all employees in the Government Printing Office who may be taken suddenly ill or receive injury while on duty; other necessary contingent and miscellaneous items authorized by the Public Printer; for expenses authorized in writing by the Joint Committee on Printing for the inspection of printing and binding equipment, material, and supplies and Government printing plants in the District of Columbia or elsewhere (not exceeding \$1,000); for salaries and expenses of preparing the semimonthly and session indexes of the Congressional Record under the direction of the Joint Committee on Printing (chief indexer at \$3,480, one cataloguer at \$3,180, two cataloguers at \$2,460 each, and one cataloguer at \$2,100); for the printing and distribution of the Federal Register in accordance with the provisions of the Act approved July 26, 1935; and for all the necessary labor, paper, materials, and equipment needed in the prosecution and delivery and mailing of the work; in all, \$3,820,000; to which sum shall be charged the printing and binding authorized to be done for Congress including supplemental and deficiency estimates of appropriations, the printing, binding, and distribution of the Federal Register (not exceeding \$120,000), the printing and binding for use of the Government Printing Office, and printing and binding (not exceeding \$2,000) for official use of the Architect of the Capitol upon requisition of the Secretary of the Senate, in all to an amount not exceeding \$2,820,000: *Provided*, That not less than \$1,000,000 of such working capital shall be returned to the Treasury as an unexpended balance not later than six months after the close of the fiscal year 1939.

Printing and binding for Congress chargeable to the foregoing appropriation, when recommended to be done by the Committee on Printing of either House, shall be so recommended in a report containing an approximate estimate of the cost thereof, together with a statement from the Public Printer of estimated approximate cost of work previously ordered by Congress within the fiscal year for which this appropriation is made.

During the fiscal year 1939 any executive department or independent establishment of the Government ordering printing and binding from the Government Printing Office shall pay promptly by check to the Public Printer upon his written request, either in advance or upon completion of the work, all or part of the estimated or actual cost thereof, as the case may be, and bills rendered by the Public Printer in accordance herewith shall not be subject to audit or certification in advance of payment: *Provided*, That proper adjustments on the basis of the actual cost of delivered work paid for in advance shall be made monthly or quarterly and as may be agreed upon by the Public Printer and the department or establishment concerned. All sums paid to the Public Printer for work that he is authorized by law to do shall be deposited to the credit, on the books of the Treasury Department, of the appropriation made for the working capital of the Government Printing Office for the year in which the work is done, and be subject to requisition by the Public Printer.

All amounts in the Budget for the fiscal year 1940 for printing and binding for any department or establishment, so far as the Bureau of the Budget may deem practicable, shall be incorporated in a single item for printing and binding for such department or establishment and be eliminated as a part of any estimate for any other purpose. And if any amounts for printing and binding, including the total cost of work produced on the multilith, multi-

graph, and other similar equipment are included as a part of any estimates for any other purposes, such amounts shall be set forth in detail in a note immediately following the general estimate for printing and binding: *Provided*, That the foregoing requirements shall not apply to work to be executed at the Bureau of Engraving and Printing.

No part of any money appropriated in this Act shall be paid to any person employed in the Government Printing Office while detailed for or performing service in the executive branch of the public service of the United States unless such detail be authorized by law.

#### OFFICE OF SUPERINTENDENT OF DOCUMENTS

**Salaries:** For the Superintendent of Documents, assistant superintendent, and other personal services in accordance with the Classification Act of 1923, as amended, and compensation of employees paid by the hour who shall be subject to the provisions of the Act entitled "An Act to regulate and fix rates of pay for employees and officers of the Government Printing Office", approved June 7, 1924 (44 U. S. C. 40), \$630,000: *Provided*, That for the purpose of conforming to section 3 of this Act this appropriation shall be considered a separate appropriation unit.

**General expenses:** For furniture and fixtures, typewriters, carpets, labor-saving machines and accessories, time stamps, adding and numbering machines, awnings, curtains, books of reference; directories, books, miscellaneous office and desk supplies, paper, twine, glue, envelopes, postage, car fares, soap, towels, disinfectants, and ice; drayage, express, freight, telephone and telegraph service; traveling expenses (not to exceed \$200); repairs to buildings, elevators, and machinery; rental of equipment; preserving sanitary condition of building; light, heat, and power; stationery and office printing, including blanks, price lists, bibliographies, catalogues and indexes; for supplying books to depository libraries; in all, \$227,430: *Provided*, That no part of this sum shall be used to supply to depository libraries any documents, books, or other printed matter not requested by such libraries, and the requests therefor shall be subject to approval by the Superintendent of Documents: *Provided further*, That the appropriations for construction of Annex Buildings, Government Printing Office, Washington, District of Columbia, shall be available for rental and repair of temporary quarters, and the heating and ventilation (including operating personnel) thereof, commencing July 1, 1937, and continuing until the completion of such project.

In order to keep the expenditures for printing and binding for the fiscal year 1939 within or under the appropriations for such fiscal year, the heads of the various executive departments and independent establishments are authorized to discontinue the printing of annual or special reports under their respective jurisdictions: *Provided*, That where the printing of such reports is discontinued the original copy thereof shall be kept on file in the offices of the heads of the respective departments or independent establishments for public inspection.

Purchases may be made from the foregoing appropriation under the "Government Printing Office", as provided for in the Printing Act approved January 12, 1895, and without reference to section 4 of the Act approved June 17, 1910 (41 U. S. C. 7), concerning purchases for executive departments.

**SEC. 2.** No part of the funds herein appropriated shall be used for the maintenance or care of private vehicles.

*Proviso.*  
Bureau of Engraving and Printing, exception.

Restriction on paying detailed employees.

Office of Superintendent of Documents.

**Salaries.**  
5 U. S. C. §§ 661-674; Supp. III, §§ 673, 673c.

**Pay rates.**  
43 Stat. 658.  
44 U. S. C. § 40.

*Proviso.*  
Item a separate appropriation unit.

General expenses.

*Provisos.*  
Supplying depository libraries, restriction.

Temporary quarters.

Annual or special reports of departments, discontinuation of printing.

*Proviso.*  
Originals to be kept on file.

Purchases independent of Procurement Division, Treasury Department.  
28 Stat. 601; 36 Stat. 531.  
41 U. S. C. § 7.

Private vehicle restriction.

Average salaries in designated offices not to be exceeded.  
5 U. S. C. §§ 661-674; Supp. III, §§ 673, 673c.

*proviso.*  
Not applicable to clerical-mechanical services.  
42 Stat. 1490.  
5 U. S. C. § 666.

Transfer without reduction.

Higher salary rates permitted.

If only one position in a grade.

Legislative Pay Act of 1929.  
46 Stat. 32.  
2 U. S. C. § 60a.  
Determination of pay rate and designation of office.

Short title.

SEC. 3. In expending appropriations or portions of appropriations contained in this Act, for the payment for personal services in the District of Columbia in accordance with the Classification Act of 1923, as amended, the average of the salaries of the total number of persons under any grade in the Botanic Garden, the Library of Congress, or the Government Printing Office, shall not at any time exceed the average of the compensation rates specified for the grade by such Act, as amended, and in grades in which only one position is allocated the salary of such position shall not exceed the average of the compensation rates for the grade, except that in unusually meritorious cases of one position in a grade, advances may be made to rates higher than the average of the compensation rates of the grade, but not more often than once in any fiscal year, and then only to the next higher rate: *Provided*, That this restriction shall not apply (1) to grades 1, 2, 3, and 4 of the clerical-mechanical service; (2) to require the reduction in salary of any person whose compensation was fixed as of July 1, 1924, in accordance with the rules of section 6 of such Act; (3) to require the reduction in salary of any person who is transferred from one position to another position in the same or different grade in the same or a different bureau, office, or other appropriation unit; (4) to prevent the payment of a salary under any grade at a rate higher than the maximum rate of the grade when such higher rate is permitted by the Classification Act of 1923, as amended, and is specifically authorized by other law; or (5) to reduce the compensation of any person in a grade in which only one position is allocated.

SEC. 4. Whenever any office or position not specifically established by the Legislative Pay Act of 1929 is specifically appropriated for herein or whenever the rate of compensation or designation of any position specifically appropriated for herein is different from that specifically established for such position by such Act, the rate of compensation and the designation of the position, or either, specifically appropriated for herein, shall be the permanent law with respect thereto; and the authority for any position specifically established by such Act which is not specifically appropriated for herein shall cease to exist.

SEC. 5. This Act may be cited as the "Legislative Branch Appropriation Act, 1939".

Approved, May 17, 1938.

#### [CHAPTER 237]

#### AN ACT

May 17, 1938  
[H. R. 9226]  
[Public, No. 527]

To amend the Act of March 9, 1928, authorizing appropriations to be made for the disposition of remains of military personnel and civilian employees of the Army, and for other purposes.

*Army.*  
Disposition of remains of military personnel and civilian employees.  
45 Stat. 251.  
10 U. S. C. § 918.  
Funeral expenses; sums authorized.

Items included.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Act entitled "An Act to authorize appropriations to be made for the disposition of remains of military personnel and civilian employees of the Army", approved March 9, 1928, is hereby amended to read as follows: "That there is hereby authorized to be appropriated from time to time such sums as may be necessary for funeral expenses of the persons hereinafter designated, to be expended under such regulations as the Secretary of War may prescribe.

"SEC. 2. Authorized funeral expenses shall include the expenses of, and incident to, the recovery of bodies, cremation (only upon the request of relatives of the deceased), preparation for burial, transportation to the home of the deceased or to a national or other cemetery designated by proper authority, and interment.

"SEC. 3. Funeral expenses shall be allowed for (1) all persons in the Regular Army as composed under section 2, Act of June 3, 1916, as amended (39 Stat. 166; U. S. C., title 10, sec. 4), who die while in the active military service; (2) accepted applicants for enlistment; (3) enlisted men who are discharged in hospitals and continue as inmates of said hospitals to the date of their death; (4) civilian employees of the Army or of the War Department who have been ordered by competent authority away from their homes in the United States to foreign countries, Hawaii, the Philippine Islands, Alaska, Puerto Rico, or the Canal Zone, and who die while on duty in such places or while performing authorized travel thereto or therefrom; (5) civilian employees of the Army or of the War Department who die on Army transports or while accompanying troops in the field, or who, while on Army transports or while accompanying troops in the field, incur injury or contract disease resulting directly in death away from their homes: *Provided*, That the benefits of this Act will be denied in no case on the ground that the deceased was temporarily absent with or without leave when death occurred.

"SEC. 4. There is further authorized to be appropriated from time to time such sums as may be necessary for the expenses of preparation for burial and interment of military prisoners who die at military posts, of prisoners of war, and of interned alien enemies who die in prison camps in the United States; for the expenses of the removal of remains from abandoned posts to permanent military posts or national cemeteries, including the remains of Federal soldiers, sailors, or marines interred in fields, abandoned graves, or abandoned private or city cemeteries; and for the expenses of segregation of bodies in permanent American cemeteries in Great Britain and France.

"SEC. 5. In any case where funeral expenses authorized in section 3 hereof are borne by individuals, reimbursement to such individuals may be made of the amount allowed by the Government for such services, but no reimbursement shall be made of any expenses incurred prior to the enactment of this Act which would not have been a proper charge against the Government prior to the date of approval thereof.

"SEC. 6. The Act entitled 'An Act to authorize an appropriation for the recovery of the bodies of officers, soldiers, and civilian employees', approved March 8, 1928, is hereby repealed."

Approved, May 17, 1938.

Persons entitled to benefits.  
39 Stat. 166.  
10 U. S. C. § 4.

*Proviso.*  
Temporary absence when death occurred.

Military prisoners, etc.

Interned alien enemies.  
Removal of remains from abandoned posts.

Cemeteries in Great Britain and France.

Reimbursement to individuals for funeral expenses.

Limitation.

Act repealed.  
45 Stat. 248.  
10 U. S. C. § 917.

# [CHAPTER 238]

## JOINT RESOLUTION

To set apart public ground for the Smithsonian Gallery of Art, and for other purposes.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That for the purpose of providing a site for a suitable building for properly housing and displaying the national collections of fine arts, comprising paintings, sculptures, bronzes, glass, porcelain, tapestry, furniture, jewelry, and other types of art; to display portraits of eminent American men and women; and to exhibit the works of artists deserving of recognition, the National Capital Park and Planning Commission shall designate and the President shall assign a suitable tract of public land in the District of Columbia between Fourth and Fourteenth Streets and Constitution and Independence Avenues.

SEC. 2. (a) A Commission, to be called the Smithsonian Gallery of Art Commission (hereinafter referred to as the "Commission"), comprising a member to be designated by the Regents of the Smithsonian Institution; the Secretary of the Smithsonian Institution; a

May 17, 1938  
[H. J. Res. 599]  
[Pub. Res., No. 95]

Smithsonian Gallery of Art, D. C.  
Site for, to be assigned.

Location.

Smithsonian Gallery of Art Commission created; membership, etc.

Authority to make investigations, secure designs, etc.

Chairman.

Service without compensation; termination of Commission.

Technical, etc., assistants.

*Proviso.*  
Employment of consultants.  
5 U. S. C. §§ 661-674; Supp. III, §§ 673, 673c.  
Allowance for expenses.

Appropriation authorized.  
*Post*, p. 1118.  
Funds from private sources.

Deposit and expenditure.

Preparation of site, landscaping, etc.

*Proviso.*  
Plans, contracts, etc.

Name designated; supervision.

Maintenance of worthy standard for acceptance of art objects.

Public exhibitions.

Acceptance of donations of works of art and funds.

member to be designated by the Secretary of the Treasury; the Chairman of the National Capital Park and Planning Commission; the Chairman of the Commission of Fine Arts; the Chairman of the Joint Committee on the Library; the Chairman of the Committee on the Library of the House; and the Chairman of the Art Commission of the Smithsonian Institution, is hereby created and authorized to make all preliminary investigations and to secure appropriate designs, by competition or otherwise, preferably by competition, for a building to be constructed on the site above described, said building to be so designed as to permit of future expansion, parking arrangements, and for landscaping its surroundings. The Commission shall choose a Chairman from its own membership.

(b) The members of the Commission shall serve as such members without compensation and the Commission shall terminate upon the submission to and approval by the Regents of the Smithsonian Institution (hereinafter referred to as the "Regents") of the said design for the building and grounds.

(c) The Commission may employ such technical, clerical, and other assistants and make such expenditures (including expenditures for personal services at the seat of government and elsewhere) as may be necessary for the performance of the duties vested in the Commission: *Provided*, That architectural, engineering, and other necessary consultants may be employed without regard to the civil-service laws and the Classification Act of 1923, as amended. All expenditures of the Commission, including the cost of any design which may be accepted, and the compensation of a jury of award in the event a competition is held, shall be allowed and paid upon presentation of itemized vouchers therefor approved by its Chairman. To carry out the provisions of this section, there is hereby authorized to be appropriated the sum of \$40,000.

SEC. 3. (a) The Regents are hereby authorized to solicit and receive subscriptions of funds from private sources for the purposes specified in this subsection. Funds so received shall be placed in a special deposit account with the Treasurer of the United States, and may be expended by the Regents to meet the cost of the construction of the building, including furnishings and equipment thereof, to obtain necessary drawings and specifications, make necessary surveys and estimates of cost, defray necessary administrative expenses, and secure other needful services.

(b) The Regents may, subject to the approval of the President, authorize the preparation of the site and the construction of the building, including approaches and landscaping of the grounds: *Provided*, That the Director of Procurement, Treasury Department, shall supervise the preparation of the plans and specifications, make all necessary contracts, and supervise construction.

(c) The name of the building shall be the Smithsonian Gallery of Art (hereinafter referred to as the "Gallery"), and it shall be under the supervision and control of the Regents and the Secretary of the Smithsonian Institution.

SEC. 4. (a) It shall be the policy of the Regents to maintain a worthy standard for the acceptance of art objects for exhibition in the Gallery, and to foster by public exhibitions from time to time in Washington, and other parts of the United States a growing appreciation of art, both of past and contemporary time; and the Regents are hereby authorized to solicit and receive private donations of works of art and contributions of funds from private sources for the purchase of works of art. Funds so received shall be placed in a special deposit account with the Treasurer of the United States and may be expended by the Regents for the purchase of works of art.

(b) In order to encourage the development of contemporary art and to effect the widest distribution and cultivation in matters of such art, the Regents are hereby authorized to solicit and receive funds from private sources, to acquire (by purchase or otherwise) and sell contemporary works of art or copies thereof, to employ artists and other personnel, award scholarships, conduct exhibitions, and generally to do such things and have such other powers as will effectuate the purposes of this subsection. Funds received by the Regents under this subsection shall be placed in a special deposit account with the Treasurer of the United States and may be expended by the Regents for the purposes enumerated in this subsection and for no other purposes: *Provided*, That the Regents shall not incur any obligations under this subsection in excess of the funds available therefor.

Powers of Regents.

Deposit and expenditure of funds.

*Proviso.*  
Limitation on obligations.

Donation of works of art by Government agencies.

Exhibition of objects of art.

Director; officers and other employees.

Annual appropriation authorized.

SEC. 5. The Director of Procurement, the Administrator of the Public Works Administration, and other agencies of the Government are authorized to donate to the Gallery any works of art now or hereafter under their control.

SEC. 6. Such objects of art as the Government or the Smithsonian Institution now possess, or such as may hereafter be acquired, may be housed or exhibited in the Gallery, with the approval of and under such regulations as the Regents and Secretary of the Smithsonian Institution may prescribe.

SEC. 7. The Regents may appoint and fix the compensation and duties of a Director of the Gallery and may employ such other officers and employees as may be necessary for the efficient operation and administration of the Gallery.

SEC. 8. There are hereby authorized to be appropriated annually such sums as may be necessary to maintain and administer the Gallery, including the salaries of the Director and of other necessary officers and employees, and for special public exhibitions at Washington and elsewhere.

Approved, May 17, 1938.

## [CHAPTER 243]

## AN ACT

To establish the composition of the United States Navy, to authorize the construction of certain naval vessels, and for other purposes.

May 17, 1938  
[H. R. 9218]  
[Public, No. 528]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That in addition to the tonnages of the United States Navy as agreed upon and established by the treaties signed at Washington, February 6, 1922, and at London, April 22, 1930, and as authorized by the Act of March 27, 1934 (48 Stat. 503), as amended by the Act of June 25, 1936 (49 Stat. 1926), the authorized composition of the United States Navy in underage vessels is hereby increased by the following tonnages:

Navy.  
Increase in authorized composition in underage vessels.

43 Stat. 1655; 46 Stat. 2858.  
48 Stat. 503; 49 Stat. 1926.  
34 U. S. C. § 494; Supp. III, § 496.

Capital ships.

*Proviso.*  
Vessels of tonnages in excess of thirty-five thousand tons.

(a) Capital ships, one hundred and five thousand tons, making a total authorized underage tonnage of six hundred and thirty thousand tons: *Provided*, That vessels of tonnages in excess of thirty-five thousand tons each may be laid down if the President determines with respect to the tonnage of capital ships being built by other nations that the interests of national defense so require, in which event the authorized composition of the United States Navy of capital ships is hereby increased by one hundred and thirty-five thousand tons, making a total authorized underage tonnage of six hundred and sixty thousand tons;

(b) Aircraft carriers, forty thousand tons, making a total authorized underage tonnage of one hundred and seventy-five thousand tons;

Aircraft carriers.  
*Cost*, p. 1143.



Cruisers.	(c) Cruisers, sixty-eight thousand seven hundred and fifty-four tons, making a total authorized underage tonnage of four hundred and twelve thousand five hundred and twenty-four tons;
Destroyers.	(d) Destroyers, thirty-eight thousand tons, making a total authorized underage tonnage of two hundred and twenty-eight thousand tons;
Submarines.	(e) Submarines, thirteen thousand six hundred and fifty-eight tons, making a total authorized underage tonnage of eighty-one thousand nine hundred and fifty-six tons.
Building to authorized composition.	SEC. 2. The President of the United States is hereby authorized to undertake such construction, including replacements, as is necessary to build the Navy to the total authorized underage composition as provided for in section 1 of this Act.
Additional naval airplanes, etc.	SEC. 3. The President of the United States is hereby authorized to acquire or construct additional naval airplanes, including patrol planes, and spare parts and equipment, so as to bring the number of useful naval airplanes to a total of not less than three thousand.
Auxiliary vessels.	SEC. 4. The President of the United States is hereby further authorized to acquire and convert or to undertake the construction of the following auxiliary vessels:
Destroyer tenders.	(a) Three destroyer tenders, a total of twenty-seven thousand tons light displacement tonnage;
Submarine tenders.	(b) Two submarine tenders, a total of eighteen thousand tons light displacement tonnage;
Seaplane tenders.	(c) Three large seaplane tenders, a total of twenty-five thousand tons light displacement tonnage;
	(d) Seven small seaplane tenders, a total of eleven thousand five hundred and fifty tons light displacement tonnage;
Repair ship.	(e) One repair ship of nine thousand five hundred tons light displacement tonnage;
Oil tankers.	(f) Four oil tankers, a total of thirty-two thousand tons light displacement tonnage;
Mine layer.	(g) One mine layer of six thousand tons light displacement tonnage;
Mine sweepers.	(h) Three mine sweepers, a total of two thousand one hundred tons light displacement tonnage; and
Fleet tugs.	(i) Two fleet tugs, a total of two thousand five hundred tons light displacement tonnage.
Appropriations authorized.	SEC. 5. There is hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, such sums as may be necessary to effectuate the purposes of this Act, which purposes shall include essential equipment and facilities at navy yards for building any ship or ships herein or heretofore authorized.
Experimental vessels.	SEC. 6. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$15,000,000 to be expended at the discretion of the President of the United States for the construction of experimental vessels, none of which shall exceed three thousand tons standard displacement, and the sum of \$3,000,000 to be expended at the discretion of the President of the United States for the construction of a rigid airship of American design and American construction of a capacity not to exceed three million cubic feet either fabric covered or metal covered to be used for training, experimental, and development purposes.
Appropriation for construction of, authorized.	
Post, p. 1142.	
Rigid airship.	
Allocation and contracts for construction of vessels, procurement of airplanes, etc.	SEC. 7. The allocation and contracts for construction of the vessels herein authorized and the replacement thereof, as well as for the procurement and construction of airplanes and spare parts, shall be in accordance with the terms and conditions provided by the Act of March 27, 1934 (48 Stat. 503), as amended.

SEC. 8. For the purposes of this Act, the term "underage" shall be construed in accordance with the terms of the treaty signed at London, March 25, 1936.

"Underage" construed.  
50 Stat. 1363.

SEC. 9. The United States would welcome and support an international conference for naval limitations and in the event of an international treaty for the further limitations of naval armament to which the United States is signatory, the President is hereby authorized and empowered to suspend so much of its naval construction as has been authorized as may be necessary to bring the naval armament of the United States within the limitations so agreed upon, except that such suspension shall not apply to vessels and aircraft then actually under construction.

International conference for naval limitations favored.

SEC. 10. (a) The Secretary of the Navy is hereby authorized and directed to appoint a board consisting of not less than five officers to investigate and report upon the need, for purposes of national defense, for the establishment of additional submarine, destroyer, mine, and naval air bases on the coasts of the United States, its territories and possessions.

National defense.  
Appointment of board to investigate need for additional submarine, etc., bases.

(b) The Secretary of the Navy is further directed to cause the report of the board authorized by this section to be transmitted to the Speaker of the House of Representatives during the first session of the Seventy-sixth Congress.

Report to House of Representatives.

SEC. 11. That the Navy Department shall construct upon the Pacific coast of the United States such vessels as the President of the United States may determine to be necessary in order to maintain shipyard facilities upon the Pacific coast necessary and adequate to meet the requirements of national defense.

Naval construction on Pacific coast.

SEC. 12. The construction, alteration, furnishing, or equipping of any naval vessel authorized by this Act, or the construction, alteration, furnishing, or equipping of any naval vessels with funds from any appropriation available for such purposes, contracts for which are made after June 30, 1938, shall be in accordance with the provisions of Public Law 846, Seventy-fourth Congress, approved June 30, 1936, unless such course, in the judgment of the President of the United States, should not be in the interest of national defense.

Construction, etc., contracts.

49 Stat. 2036.  
41 U. S. C., Supp. III, § 35.

Approved, May 17, 1938.

# [CHAPTER 250]

## AN ACT

To authorize the completion, maintenance, and operation of the Fort Peck project for navigation, and for other purposes.

May 18, 1938  
[S. 2650]

[Public, No. 529]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That for the purpose of improving navigation on the Missouri River, and for other purposes incidental thereto, the dam and appurtenant works now under construction at Fort Peck, Montana, and a suitable power plant for the production of hydroelectric power (which dam, power plant, and appurtenant works are hereinafter called Fort Peck project), shall be completed, maintained, and operated under the direction of the Secretary of War and the supervision of the Chief of Engineers, subject to the provisions of this Act relating to the powers and duties of the Bureau of Reclamation (hereinafter called the Bureau), as provided for in section 2 (a), respecting the transmission and sale of electric energy generated at said project. The Secretary of War shall provide, construct, operate, maintain, and improve at Fort Peck project such machinery, equipment, and facilities for the generation of electric energy as the Bureau may deem

Fort Peck project, Mont.  
General purposes declared.

Completion, maintenance, and operation under Secretary of War.  
Administrative provisions respecting Bureau of Reclamation.

Disposal of electric energy.	necessary to develop such electric energy as rapidly as markets may be found therefor. The electric energy thus generated and not required for the operation of the dam at such project and the navigation facilities employed in connection therewith shall be delivered to the Bureau for disposition as provided in this Act.
44 Stat. 657. 43 U. S. C. § 373a. Sale, etc., of surplus energy.	SEC. 2. (a) The electric energy generated in the operation of the said Fort Peck project shall be disposed of by the Bureau as hereinafter provided. The Bureau shall exercise the powers and perform the duties provided for in this Act under the supervision and direction of the Secretary of the Interior in accordance with the Act of May 26, 1926 (44 Stat. 657). The Bureau shall, as hereinafter provided, make all arrangements for the sale and disposition of electric energy generated at the Fort Peck project not required for the operation of the dam at such project and the navigation facilities employed in connection therewith. The form of administration herein established for the Fort Peck project is intended to be provisional pending the establishment of a permanent administration for Fort Peck and other projects in the Missouri River Basin. The Secretary of War shall install and maintain additional machinery, equipment, and facilities for the generation of electric energy at the Fort Peck project when in the judgment of the Bureau such additional generating facilities are desirable to meet actual or potential market requirements for such electric energy. The Secretary of War shall schedule the operations of the several electrical generating units and appurtenant equipment of the Fort Peck project in accordance with the requirements of the Bureau. The Secretary of War shall provide and maintain for the use of the Bureau at said Fort Peck project adequate station space and equipment, including such switches, switchboards, instruments, and dispatching facilities as may be required by the Bureau for proper reception, handling, and dispatching of the electric energy produced at the said project, together with transformers and other equipment required by the Bureau for the transmission of such energy from that place at suitable voltage to the markets which the Bureau desires to serve.
Form of administration provisional.	(b) In order to encourage the widest possible use of all electric energy that can be generated and marketed and to provide reasonable outlets therefor, and to prevent the monopolization thereof by limited groups, the Bureau is authorized and directed to provide, construct, operate, maintain, and improve such electric transmission lines and substations, and facilities and structures appurtenant thereto, as it finds necessary, desirable, or appropriate for the purpose of transmitting electric energy, available for sale, from the Fort Peck project to existing and potential markets, and, for the purpose of interchange of electric energy, to interconnect the Fort Peck project with either private or with other Federal projects and publicly owned power systems now or hereafter constructed.
Encouragement of general use of energy.  Prevention of monopolization.	(c) The Secretary of the Interior is authorized, in the name of the United States, to acquire, by purchase, lease, condemnation, or donation, such real and personal property, or any interest therein, including lands, easements, rights-of-way, franchises, electric transmission lines, substations, and facilities and structures appurtenant thereto, as he finds necessary or appropriate to carry out the purposes of this Act. Title to all property and property rights acquired by said Secretary shall be taken in the name of the United States.
Acquisition of property, etc.	(d) The Secretary of the Interior shall have power to acquire any property or property rights, including patent rights, which in his opinion are necessary to carry out the purposes of this Act, by purchase, lease, donation, or by the exercise of the right of eminent
Title.	
Acquisition of property or property rights.	

domain and to institute condemnation proceedings therefor in the same manner as is provided by law for the condemnation of real estate.

(e) The Secretary of the Interior is authorized, in the name of the United States, to sell, lease, or otherwise dispose of such personal property as in his judgment is not required for the purposes of this Act and such real property and interests in land acquired in connection with construction or operation of electric transmission lines or substations as in his judgment are not required for the purposes of this Act.

Disposal of personal property.

Real property, etc.

(f) Subject to the provisions of this Act, the Bureau is authorized, in the name of the United States, to negotiate and enter into such contracts, agreements, and arrangements as it shall find necessary or appropriate to carry out the purposes of this Act.

Contracts, etc., authorized.

SEC. 3. As employed in this Act, the term "public body," or "public bodies," means States, public power districts, counties, and municipalities, including agencies or subdivisions of any thereof.

Terms defined.  
"Public body";  
"public bodies."

As employed in this Act, the term "cooperative," or "cooperatives," means any form of nonprofit-making organization or organizations of citizens supplying, or which may be created to supply, members with any kind of goods, commodities, or services, as nearly as possible at cost.

"Cooperative"; "cooperatives."

SEC. 4. In order to insure that the facilities for the generation of electric energy at the Fort Peck project shall be operated for the benefit of the general public, and particularly of domestic and rural consumers, the Bureau shall at all times, in disposing of electric energy generated at said project, give preference and priority to public bodies and cooperatives.

Disposal of power; preferences, etc.

SEC. 5. Schedules of rates and charges for electric energy produced at the Fort Peck project and sold to purchasers as in this Act provided shall be prepared by the Bureau and become effective upon confirmation and approval thereof by the Federal Power Commission. Subject to confirmation and approval by the Federal Power Commission, such rate schedules may be modified from time to time by the Bureau and shall be fixed and established with a view to encouraging the widest possible diversified use of electric energy. The said rate schedules may provide for uniform rate or rates uniform throughout prescribed transmission areas in order to extend the benefits of an integrated transmission system and encourage the equitable distribution of the electric energy developed at the Fort Peck project.

Schedules of rates and charges.

Uniformity.

SEC. 6. It is the intent of Congress that rate schedules for the sale of electric energy which is or may be generated at the Fort Peck project in excess of the amount required for operating the dam and appurtenant works at said project shall be determined with due regard to and predicated upon the fact that such electric energy is developed from water power created as an incident to the construction of the dam in the Missouri River at the Fort Peck project for the purposes set forth in section 1 of this Act. Rate schedules shall be drawn having regard to the recovery (upon the basis of the application of such rate schedules to the capacity of the electric facilities of Fort Peck project) of the cost of producing and transmitting such electric energy, including the amortization of the capital investment over a reasonable period of years. Rate schedules shall be based upon an allocation of costs made by the Federal Power Commission. In computing the cost of electric energy developed from water power created as an incident to and a byproduct of the construction of Fort Peck project, the Federal Power Commission may allocate to the costs of electric facilities such a share of the cost of facilities having joint

Rates predicated on fact that energy is incidental to dam construction.

Allocation of costs.

value for the production of electric energy and other purposes as the power development may fairly bear as compared with such other purposes.

Purchases and contracts.  
Advertising, opening of bids, etc.  
Emergencies.  
Repair parts, etc.  
Minor purchases.  
Factors to be considered in comparing bids.

SEC. 7. Notwithstanding any other provision of law, all purchases and contracts made by the Bureau or the Secretary of War for supplies or for services, except for personal services, shall be made after advertising, in such manner and at such times, sufficiently in advance of opening bids, as the Bureau or Secretary of War, as the case may be, shall determine to be adequate to insure notice and opportunity for competition. Such advertisement shall not be required, however, when (1) an emergency requires immediate delivery of the supplies or performance of the services; or (2) repair parts, accessories, supplemental equipment, or services are required for supplies or services previously furnished or contracted for; or (3) the aggregate amount involved in any purchase of supplies or procurement of services does not exceed \$500; in which cases such purchase of supplies or procurement of services may be made in the open market in the manner common among businessmen. In comparing bids and in making awards, the Bureau or the Secretary of War, as the case may be, may consider such factors as relative quality and adaptability of supplies or services, the bidder's financial responsibility, skill, experience, record of integrity in dealing, and ability to furnish repairs and maintenance services, the time of delivery or performance offered, and whether the bidder has complied with the specifications.

Accounts of operations.  
Expenditures.

SEC. 8. (a) The Bureau, subject to the requirements of the Federal Water Power Act, shall keep complete and accurate accounts of operations, including all funds expended and received in connection with transmission and sale of electric energy generated at the Fort Peck project.

(b) The Bureau may make such expenditures for offices, vehicles, furnishings, equipment, supplies, and books; for attendance at meetings; and for such other facilities and services as it may find necessary for the proper administration of this Act.

(c) In December of each year, the Secretary of the Interior shall file with the Congress a financial statement and a complete report as to the transmission and sale of electric energy generated at the Fort Peck project during the preceding governmental fiscal year.

Attorneys, engineers, and other experts.  
Salary limitation.  
Other personal services.  
5 U. S. C. §§ 661-674; Supp. III, §§ 673, 673c.  
Utilization of facilities of Bureau.

SEC. 9. The Secretary of the Interior, the Secretary of War, and the Federal Power Commission, respectively, shall appoint such attorneys, engineers, and other experts as may be necessary for carrying out the functions entrusted to them under this Act, without regard to the provisions of the civil-service laws, and shall fix the compensation of each of such attorneys, engineers, and other experts at not to exceed \$7,500 per annum; and they may, subject to the civil-service laws, appoint such other officers and employees as may be necessary to carry out such functions and fix their salaries in accordance with the Classification Act of 1923, as amended. In the administration of this Act the services of regular employees in the Bureau may be utilized and an equitable part of the salaries of such employees whose services are thus utilized may be charged by the Bureau to the operating costs of the power features of the Fort Peck project. The Bureau similarly may utilize and charge for facilities of the Bureau which economically can be used in connection with the administration of this Act.

Deposit of receipts; exception.

SEC. 10. All receipts from transmission and sale of electric energy generated at the Fort Peck project shall be covered into the Treasury of the United States to the credit of miscellaneous receipts,

save and except that the Treasury shall set up and maintain from such receipts a continuing fund of \$500,000, to the credit of the Bureau and subject to expenditure by it, to defray the operating expense of generation and transmission of power delivered to the Bureau for disposal under this Act, to defray emergency expenses and to insure continuous operation. There is hereby authorized to be appropriated from time to time, out of moneys in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this Act, including installation of equipment and machinery for the generation of electric energy, and facilities for its transmission and sale.

SEC. 11. The Secretary of the Interior may, in the name of the United States, under the supervision of the Attorney General, bring such suits at law or in equity as in his judgment may be necessary to carry out the purposes of this Act; and he shall be represented in the prosecution and defense of all litigation affecting the status or operation of the Fort Peck project by the United States attorneys for the districts, respectively, in which such litigation may arise, or by such attorney or attorneys as the Attorney General may designate as authorized by law, in conjunction with the regularly employed attorneys of the Bureau.

SEC. 12. If any provision of this Act or the application of such provision to any person or circumstances shall be held invalid, the remainder of the Act and the application of such provisions to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

Approved, May 18, 1938.

Continuing fund to be set up, etc.

Emergency expenses, etc.  
Appropriations authorized.

Suits necessary for execution of Act authorized.

Separability provision.

#### [CHAPTER 251]

#### AN ACT

To provide for the administration and maintenance of the Natchez Trace Parkway, in the States of Mississippi, Alabama, and Tennessee, by the Secretary of the Interior, and for other purposes.

May 18, 1938  
[H. R. 6652]

[Public, No. 530]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That all lands and easements heretofore and hereafter conveyed to the United States by the States of Mississippi, Alabama, and Tennessee for the right-of-way for the projected parkway between Natchez, Mississippi, and Nashville, Tennessee, together with sites acquired or to be acquired for recreational areas in connection therewith, and a right-of-way for said parkway of a width sufficient to include the highway and all bridges, ditches, cuts, and fills appurtenant thereto, but not exceeding a maximum of two hundred feet through Government-owned lands (except that where small parcels of Government-owned lands would otherwise be isolated, or where topographic conditions or scenic requirements are such that bridges, ditches, cuts, fills, parking overlooks, and landscape development could not reasonably be confined to a width of two hundred feet, the said maximum may be increased to such width as may be necessary, with the written approval of the department or agency having jurisdiction over such lands) as designated on maps heretofore or hereafter approved by the Secretary of the Interior, shall be known as the Natchez Trace Parkway and shall be administered and maintained by the Secretary of the Interior through the National Park Service, subject to the provisions of the Act of Congress approved August 25, 1916 (39 Stat. 535), entitled "An Act to establish a National Park Service, and for other purposes", the provisions of which Act, as amended and sup-

Natchez Trace Parkway, Miss., Ala., and Tenn.

Administration and maintenance of right-of-way, etc.

Sites for recreational areas.

Right-of-way width.

Name.

39 Stat. 535.  
16 U. S. C. § 1-4;  
Supp. III, § 2.

*Provisos.*  
Connection of roads  
and trails with park-  
way.

Coordination of rec-  
reational develop-  
ments with Forest  
Service.

Revocable licenses  
or permits for rights-  
of-way, etc.

plemented, are hereby extended over and made applicable to said parkway: *Provided*, That the Secretary of Agriculture is hereby authorized, with the concurrence of the Secretary of the Interior, to connect with said parkway such roads and trails as may be necessary for the protection, administration, or utilization of adjacent and nearby national forests and the resources thereof: *And provided further*, That the Forest Service and the National Park Service shall, insofar as practicable, coordinate and correlate such recreational developments as each may plan, construct, or permit to be constructed, on lands within their respective jurisdictions, which, by mutual agreement, should be given special treatment for recreational purposes.

SEC. 2. In the administration of the Natchez Trace Parkway, the Secretary of the Interior may issue revocable licenses or permits for rights-of-way over, across, and upon parkway lands, or for the use of parkway lands by the owners or lessees of adjacent lands, for such purposes and under such nondiscriminatory terms, regulations, and conditions as he may determine to be not inconsistent with the use of such lands for parkway purposes.

Approved, May 18, 1938.

#### [CHAPTER 253]

#### AN ACT

May 18, 1938  
[H. R. 10316]  
[Public, No. 531]

To amend section 203 of the Merchant Marine Act, 1936, and for other purposes.

Merchant Marine  
Act, 1936, amend-  
ment.  
49 Stat. 1987.  
46 U. S. C., Supp.  
III, § 1113.

U. S. Shipping  
Board (Emergency)  
Merchant Fleet Cor-  
poration employees.  
Payments to, on  
account of leave  
earned in 1918-19 ap-  
proved.

Release from liabil-  
ity to refund or repay.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 203 of the Merchant Marine Act, 1936, is hereby amended by inserting "(a)" after "Sec. 203.", and by adding at the end of such section a subsection to read as follows:

"(b) All payments made by the United States Shipping Board (Emergency) Merchant Fleet Corporation to its employees in settlement of its liability arising out of contracts of employment between said United States Shipping Board (Emergency) Merchant Fleet Corporation and its employees on account of leave earned in the years 1918-1919 are hereby approved and confirmed. All persons to whom such payments were made are hereby released from any liability to refund or repay to the Government such payments, and no deductions on account of any such payments shall be made from any amounts otherwise due or payable out of Government funds to such persons."

Approved, May 18, 1938.

#### [CHAPTER 254]

#### JOINT RESOLUTION

May 20, 1938  
[S. J. Res. 284]  
[Pub. Res., No. 96]

To authorize an appropriation for the expenses of participation by the United States in the Third Pan American Highway Conference.

Pan American High-  
way Conference,  
Third.  
Appropriation au-  
thorized for partici-  
pation.  
*Post*, p. 1147.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$15,000, or so much thereof as may be necessary, for the expenses of participation by the United States in the Third Pan American Highway Conference, to be held in Chile during the fiscal year 1939, including personal services in the District of Columbia and elsewhere, without reference to the Classification Act of 1923, as amended; stenographic reporting, translating, and

other services, by contract if deemed necessary, without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); rent; traveling expenses; purchase of necessary books, documents, newspapers, and periodicals; official cards; printing and binding; entertainment; local transportation; and such other expenses as may be authorized by the Secretary of State, including the reimbursement of other appropriations from which payment may have been made for any of the purposes herein specified.

Approved, May 20, 1938.

Contracts without  
advertising.  
R. S. § 3709.  
41 U. S. C. § 5.

Printing and binding.

Reimbursement of  
other appropriations.

# [CHAPTER 255]

## JOINT RESOLUTION

To authorize and request the President of the United States to invite the International Union of Geodesy and Geophysics to hold its Seventh General Assembly in the United States during the calendar year 1939, and to invite foreign governments to participate in that general assembly; and to authorize an appropriation to assist in meeting the expenses necessary for participation by the United States in the meeting.

May 20, 1938  
[S. J. Res. 285]  
[Pub. Res., No. 97]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the President be, and is hereby, authorized and requested to invite the International Union of Geodesy and Geophysics to hold its Seventh General Assembly in the United States during the calendar year 1939, and to invite foreign governments to participate in that general assembly.

SEC. 2. That the sum of \$5,000, or so much thereof as may be necessary, is hereby authorized to be appropriated for the expenses of organizing and holding the Seventh General Assembly of the International Union of Geodesy and Geophysics, including personal services in the District of Columbia and elsewhere without regard to the Classification Act of 1923, as amended; communication services; stenographic and other services by contract if deemed necessary without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); travel expenses; local transportation; hire of motor-propelled passenger-carrying vehicles; rent in the District of Columbia and elsewhere; printing and binding; entertainment; official cards; purchase of newspapers and periodicals; necessary books and documents; stationery; membership badges; and such other expenses as may be actually and necessarily incurred by the Government of the United States by reason of observance of appropriate courtesies in connection therewith, and such other expenses as may be authorized by the Secretary of State, including the reimbursement of other appropriations from which payments have been made for any of the purposes herein specified.

Approved, May 20, 1938.

International Union  
of Geodesy and Geo-  
physics.  
Invitation to hold  
Seventh General As-  
sembly in United  
States; participation  
by foreign govern-  
ments.  
Appropriation au-  
thorized.

Contracts without  
advertising.  
R. S. § 3709.  
41 U. S. C. § 5.

Printing and binding.

Reimbursement of  
other appropriations.

# [CHAPTER 256]

## AN ACT

Authorizing the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania to reconstruct, maintain, and operate a free highway bridge across the Delaware River between points in the city of Port Jervis, Orange County, New York, and the Borough of Matamoras, Pike County, Pennsylvania.

May 21, 1938  
[S. 3149]  
[Public, No. 532]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That in order to facilitate interstate commerce, improve the Postal Service, and provide for military and other purposes, the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania be, and is hereby, authorized to reconstruct, maintain, and

Delaware River.  
Reconstruction,  
etc., of bridge across,  
Port Jervis, N. Y., to  
Borough of Matamor-  
ras, Pa., authorized.



operate a free highway bridge and approaches thereto across the Delaware River between points in the city of Port Jervis, Orange County, New York, and the Borough of Matamoras, Pike County, Pennsylvania, in accordance with the provisions of the Act entitled "An Act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this Act.

34 Stat. 84.  
33 U. S. C. § 491.

Acquisition of ap-  
proaches, etc.

SEC. 2. There is hereby conferred upon the Interstate Bridge Commission of the State of New York and the Commonwealth of Pennsylvania all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

Amendment, etc.

SEC. 3. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, May 21, 1938.

#### [CHAPTER 257]

#### AN ACT

May 21, 1938  
[S. 3213]  
[Public, No. 533]

To amend the Act entitled "An Act authorizing the Oregon-Washington Board of Trustees to construct, maintain, and operate a toll bridge across the Columbia River at Astoria, Clatsop County, Oregon", approved June 13, 1934, as amended.

Columbia River.  
Bridge construction  
across, at Astoria,  
Oreg.  
48 Stat. 949; 49 Stat.  
1066, 1104; 50 Stat. 553.

Bond issue author-  
ized.

Right to assign, etc.,  
rights, powers, and  
privileges.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the last sentence of the first section of the Act entitled "An Act authorizing the Oregon-Washington Bridge Board of Trustees to construct, maintain, and operate a toll bridge across the Columbia River at Astoria, Clatsop County, Oregon", approved June 13, 1934, as amended, is amended to read as follows: "Said board of trustees is hereby granted the power to issue bonds or other securities payable from and secured by bridge revenues for the purpose of financing the construction of the said bridge and the right to assign, transfer, and mortgage all the rights, powers, and privileges conferred by this Act."

Approved, May 21, 1938.

#### [CHAPTER 259]

#### AN ACT

May 23, 1938  
[H. R. 8837]  
[Public, No. 534]

Making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1939, and for other purposes.

Independent Offices  
Appropriation Act,  
1939.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Executive Office and sundry independent executive bureaus, boards, commissions, and offices, for the fiscal year ending June 30, 1939, namely:

## EXECUTIVE OFFICE

## COMPENSATION OF THE PRESIDENT AND VICE PRESIDENT

For compensation of the President of the United States, \$75,000.

For compensation of the Vice President of the United States, \$15,000.

## OFFICE OF THE PRESIDENT

Salaries: For personal services in the office of the President, including the Secretary to the President, and two additional secretaries to the President at \$10,000 each; \$135,460: *Provided*, That employees of the executive departments and other establishments of the executive branch of the Government may be detailed from time to time to the office of the President of the United States for such temporary assistance as may be deemed necessary.

Contingent expenses: For contingent expenses of the Executive Office, including stationery, record books, telegrams, telephones, books for library, furniture and carpets for offices, automobiles, expenses of garage, including labor, special services, and miscellaneous items to be expended in the discretion of the President, \$50,000.

For printing and binding, \$2,700.

Traveling expenses: For traveling and official entertainment expenses of the President of the United States, to be expended in his discretion and accounted for on his certificate solely, \$25,000.

Total, Executive Office proper, \$303,160.

## EXECUTIVE MANSION AND GROUNDS

For the care, maintenance, repair and alteration, refurnishing, improvement, heating, and lighting, including electric power and fixtures of the Executive Mansion, the Executive Mansion greenhouses, including reconstruction, and the Executive Mansion grounds, and traveling expenses, to be expended as the President may determine, notwithstanding the provisions of any other Act, \$146,750.

Total, Executive Office, \$449,910.

## INDEPENDENT ESTABLISHMENTS

## AMERICAN BATTLE MONUMENTS COMMISSION

For every expenditure requisite for or incident to the work of the American Battle Monuments Commission authorized by the Act of March 4, 1923 (36 U. S. C. 121-133), and by Executive Order Numbered 6614 of February 26, 1934, including the acquisition of land or interest in land in foreign countries for carrying out the purposes of said Act and Executive order without submission to the Attorney General of the United States under the provisions of section 355 of the Revised Statutes (34 U. S. C. 520; 40 U. S. C. 255); employment of personal services in the District of Columbia and elsewhere; including not to exceed \$3,000 for allowances for living quarters, including heat, fuel, and light, as authorized by the Act approved June 26, 1930 (5 U. S. C. 118a); purchase and repair of uniforms for caretakers of national cemeteries and monuments in Europe at a cost not exceeding \$1,200; travel expenses; rent of office space in foreign countries; the maintenance, repair, and operation of motor-propelled passenger-carrying vehicles which may be furnished to the Commission by other departments of the Government or acquired by purchase; the purchase of one motor-propelled passenger-carrying vehicle at a cost not exceeding \$750; printing, binding, engraving, lithographing, photographing, and typewriting, including the publication of information concerning the American activities, battlefields,

Executive Office.

Compensation.

President.

Vice President.

Office of the President.

Salaries.

*Proviso.*  
Temporary details.

Contingent expenses.

Printing and binding.  
Traveling, etc., expenses.

Executive Mansion, etc.

Care, repair, etc.

Independent Establishments.

American Battle Monuments Commission.

All expenses.  
42 Stat. 1509.  
36 U. S. C. §§ 121-133.

Acquisition of land abroad.

R. S. § 355.  
34 U. S. C. § 520; 40 U. S. C. § 255.Living quarters.  
46 Stat. 818.  
5 U. S. C. § 118a.  
Uniforms for caretakers.

Vehicles.

Printing, binding, etc.

*Proviso.*  
Technical, etc.,  
work abroad.

Minor purchases.  
R. S. § 3709.  
41 U. S. C. § 5.

Traveling expenses.

Delegation of au-  
thority.

memorials, and cemeteries in Europe; the purchase of maps, text-books, newspapers, and periodicals, \$150,000: *Provided*, That notwithstanding the requirements of existing laws or regulations, and under such terms and conditions as the Commission may in its discretion deem necessary and proper, the Commission may contract for work in Europe and engage, by contract or otherwise, the services of architects, firms of architects, and other technical and professional personnel: *Provided further*, That the Commission may purchase supplies and materials without regard to section 3709 of the Revised Statutes (41 U. S. C. 5) when the aggregate amount involved does not exceed \$500: *Provided further*, That when traveling on business of the Commission, officers of the Army serving as members or as secretary of the Commission may be reimbursed for expenses as provided for civilian members of the Commission: *And provided further*, That the Commission may delegate to its chairman, secretary, or officials in charge of either its Washington or Paris offices, under such terms and conditions as it may prescribe, such of its authority as it may deem necessary and proper.

Board of Tax Ap-  
peals.

All expenses.  
43 Stat. 336; 44 Stat.  
105; 45 Stat. 871; 47  
Stat. 286.  
26 U. S. C. §§ 600-  
645.

Printing and bind-  
ing.

Central Statistical  
Board.

All expenses.

Printing and bind-  
ing.

*Proviso.*  
No other funds to  
be available; excep-  
tion.  
50 Stat. 331.

Civil Service Com-  
mission.

Commissioners, and  
office personnel.  
*Post*, p. 1116.

### BOARD OF TAX APPEALS

For every expenditure requisite for and incident to the work of the Board of Tax Appeals as authorized under title IX, section 900, of the Revenue Act of 1924, approved June 2, 1924, as amended by title X of the Revenue Act of 1926, approved February 26, 1926, and title IV of the Revenue Act of 1928, approved May 29, 1928, and title IX of the Revenue Act of 1932, approved June 6, 1932, including personal services and contract stenographic reporting services, rent outside the District of Columbia, traveling expenses, carfare, stationery, furniture, office equipment, purchase and exchange of typewriters, law books and books of reference, periodicals, and all other necessary supplies, \$503,000.

For all printing and binding for the Board of Tax Appeals, \$23,000.

Total, Board of Tax Appeals, \$526,000.

### CENTRAL STATISTICAL BOARD

For every expenditure requisite for and incident to the work of the Central Statistical Board as authorized by law, including personal services in the District of Columbia; traveling expenses; materials; supplies; office equipment; mimeographing, special messenger, contract stenographic reporting, and other services; newspapers; periodicals and press clippings; repairs and alterations; and not to exceed \$200 for expenses of attendance at meetings which in the discretion of the chairman are necessary for the efficient discharge of the responsibilities of the board, \$125,000.

For all printing and binding for the Central Statistical Board, \$1,000.

Total, Central Statistical Board, \$126,000: *Provided*, That no other money appropriated in this or any other Act, except the Independent Offices Appropriation Act for the fiscal year 1938, shall be available for the Central Statistical Board after the passage of this Act.

### CIVIL SERVICE COMMISSION

For three Commissioners and other personal services in the District of Columbia, including personal services required for examination of Presidential postmasters, and including not to exceed \$2,500 for

employment of expert examiners not in the Federal service on special subjects for which examiners within the service are not available, and for personal services in the field; for medical examinations; for necessary traveling expenses, including those of examiners acting under the direction of the Commission, and for expenses of examinations and investigations held elsewhere than at Washington, including not to exceed \$1,000 for expenses incident to attendance at meetings concerned with problems of public officials, educational groups, Government employees as such, and other similar organizations, which are peculiar to the interests and business of the Commission, when specifically directed by the Commission; for furniture and other equipment and repairs thereto; rental of equipment; supplies; advertising; telegraph, telephone, and laundry service; freight and express charges; streetcar fares not to exceed \$300; stationery; purchase and exchange of law books, books of reference, directories, subscriptions to newspapers and periodicals, not to exceed \$1,000; charts; purchase, exchange, maintenance, and repair of motortrucks, motorcycles, and bicycles; garage rent; postage stamps to prepay postage on matter addressed to Postal Union countries; special-delivery stamps; and other like miscellaneous necessary expenses not hereinbefore provided for, \$2,450,000: *Provided*, That notwithstanding any provisions of law to the contrary, the Civil Service Commission is authorized to expend not to exceed \$3,000 of this amount for actuarial services pertaining to the civil service, Canal Zone, and Alaska Railroad retirement and disability funds, to be obtained by contract, without obtaining competition, at such rates of compensation as the Commission may determine to be reasonable: *Provided further*, That no details from any executive department or independent establishment in the District of Columbia or elsewhere to the Commission's central office in Washington or to any of its district offices shall be made during the fiscal year ending June 30, 1939, but this shall not affect the making of details for service as members of the boards of examiners outside the immediate offices of the district managers: *Provided further*, That the Civil Service Commission shall have power in case of emergency to transfer or detail any of its employees to or from its office or field force.

For all printing and binding for the Civil Service Commission, including all of its bureaus, offices, institutions, and services located in Washington and elsewhere, \$88,750.

#### CIVIL-SERVICE RETIREMENT FUND

For financing of the liability of the United States, created by the Act entitled "An Act for the retirement of employees in the classified civil service, and for other purposes", approved May 22, 1920, and Acts amendatory thereof (38 U. S. C. 11), \$74,244,000, which amount shall be placed to the credit of the "civil-service retirement and disability fund."

#### CANAL ZONE RETIREMENT AND DISABILITY

For financing of the liability of the United States, created by the Act entitled "An Act for the retirement of employees of the Panama Canal and the Panama Railroad Company, on the Isthmus of Panama, who are citizens of the United States", approved March 2, 1931, and Acts amendatory thereof (48 U. S. C. 1371n), \$500,000, which amount shall be placed to the credit of the "Canal Zone retirement and disability fund."

Attendance at meetings.

Miscellaneous expenses.

*Provisos.*  
Actuarial expenses.

Details from Departments forbidden.

Emergency transfers, etc., permitted.

Printing and binding.  
*Post*, p. 1116.

Civil-service retirement and disability fund.  
Contribution.

41 Stat. 614.  
38 U. S. C. § 11.

Canal Zone retirement and disability fund.  
Contribution.

46 Stat. 1471.  
48 U. S. C. § 1371n.

Alaska Railroad retirement and disability fund.  
Contribution.

49 Stat. 2017.  
5 U. S. C., Supp.  
III, §§ 745-745r.

#### ALASKA RAILROAD RETIREMENT AND DISABILITY

For financing of the liability of the United States created by the Act entitled "An Act for the retirement of employees of the Alaska Railroad, Territory of Alaska, who are citizens of the United States", approved June 29, 1936 (49 Stat. 2017), \$175,000, which amount shall be placed to the credit of the "Alaska Railroad retirement and disability fund."

Total, Civil Service Commission, \$77,457,750.

Civilian Conservation Corps.

All expenses.  
50 Stat. 319.  
16 U. S. C., Supp.  
III, § 584.

Vehicles.

Travel expenses; attendance at meetings.

Construction, etc., of buildings; restriction.

Enrollees.

Office personnel.  
*Proviso.*  
Pay for blood transfusions.

District of Columbia Alley Dwelling Authority.

Funds for, continued available.

48 Stat. 930.

50 Stat. 838.  
42 U. S. C., Supp.  
III, § 1401.

Employees' Compensation Commission.  
Salaries and expenses.

#### CIVILIAN CONSERVATION CORPS

For all authorized and necessary expenses to carry into effect the provisions of the Act entitled "An Act to establish a Civilian Conservation Corps, and for other purposes", approved June 28, 1937, including personal services in the District of Columbia and elsewhere; the purchase and exchange of law books, books of reference, periodicals, and newspapers; rents in the District of Columbia and elsewhere; the purchase (including exchange), operation, maintenance, and repair of motor-propelled and horse-drawn passenger-carrying vehicles to be used only for official purposes; hire, with or without personal services, of work animals, animal-drawn and motor-propelled vehicles, and watercraft; printing and binding; travel expenses, including not to exceed \$2,000 for expenses of attendance at meetings concerned with the work of the Corps when specifically authorized by the Director; construction, improvement, repair, and maintenance of buildings, but the cost of any building erected hereunder shall not exceed \$25,000; and all other necessary expenses; \$226,331,000, of which \$133,467,000 shall be available only for pay, subsistence, clothing (and repair thereof), transportation, and hospitalization of enrollees and not to exceed \$300,000 may be expended for salaries and expenses of the Office of the Director: *Provided*, That an enrollee in the Civilian Conservation Corps, or member, or former member of the Military Establishment, who shall furnish blood from his or her veins for transfusion to the veins of an enrollee or discharged enrollee of the Civilian Conservation Corps undergoing treatment in a Government or civilian hospital authorized to treat such patient, shall be entitled to be paid therefor a reasonable sum not to exceed \$50 for each of such transfusions undergone.

#### DISTRICT OF COLUMBIA ALLEY DWELLING AUTHORITY

The unexpended balance on June 30, 1938, of the "Conversion of inhabited alleys fund", established pursuant to the provisions of the District of Columbia Alley Dwelling Act, together with all accretions during the fiscal year 1939 to said fund under the provisions of said Act and of the United States Housing Act of 1937 shall be available until June 30, 1939, for the purpose of carrying out the provisions of said District of Columbia Alley Dwelling Act.

#### EMPLOYEES' COMPENSATION COMMISSION

For three Commissioners and other personal services in the District of Columbia, including not to exceed \$1,000 for temporary experts and assistants in the District of Columbia and elsewhere, to be paid at a rate not exceeding \$8 per day, and for personal services in the field; for furniture and other equipment and repairs thereto; law books, books of reference, periodicals; stationery and supplies; traveling expenses; fees and mileage of witnesses; contract

stenographic reporting services; rent at the seat of government and elsewhere; and miscellaneous items; \$478,225.

For all printing and binding for the Employees' Compensation Commission, \$8,250.

Employees' compensation fund: For the payment of compensation provided by "An Act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916 (5 U. S. C. 785), including medical examinations, traveling and other expenses, and loss of wages payable to employees under sections 21 and 22; all services, appliances, and supplies provided by section 9 as amended, including payments to Army and Navy hospitals; the transportation and burial expenses provided by sections 9 and 11; and advancement of costs for the enforcement of recoveries provided in sections 26 and 27 where necessary, accruing during the fiscal year 1939 or in prior fiscal years, \$4,775,000.

Printing and binding.

Employees' compensation fund.

39 Stat. 749.  
5 U. S. C. § 785.

Burial, etc., expenses.

#### EMPLOYEES' COMPENSATION FUND, CIVIL WORKS

For administrative expenses and payment of compensation in connection with the administration of the benefits for employees of the Civil Works Administration in accordance with the provisions of the Act entitled "An Act making an additional appropriation to carry out the purposes of the Federal Emergency Relief Act of 1933, for continuation of the Civil Works program, and for other purposes", approved February 15, 1934 (48 Stat. 352), and in connection with the administration of the benefits authorized by title V of the Act entitled "An Act to liberalize the provisions of Public Law Numbered 484, Seventy-third Congress, to effect uniform provisions in laws administered by the Veterans' Administration, to extend the Employees' Compensation Act with limitations to certain World War veterans and other persons, and for other purposes", approved June 29, 1936 (49 Stat. 2035), \$216,300 of the special fund set up on the books of the Treasury pursuant to the provisions of said Act shall be available for expenditure during the fiscal year 1939.

Employees' compensation fund, civil works.  
Administrative expenses and compensation payments.

48 Stat. 351.

49 Stat. 2035.

#### EMPLOYEES' COMPENSATION FUND, EMERGENCY CONSERVATION WORK

For administrative expenses and payment of compensation in connection with the administration of the benefits for enrollees of the Civilian Conservation Corps in accordance with the provisions of the Act entitled "Emergency Appropriation Act, fiscal year 1935," approved June 19, 1934 (48 Stat., p. 1057), \$600,000 of the special fund set up on the books of the Treasury pursuant to the provisions of said Act shall be available for expenditure during the fiscal year 1939.

Employees' compensation fund, Emergency Conservation Work.  
Administrative expenses and compensation payments.

48 Stat. 1056.

#### EMPLOYEES' COMPENSATION FUND, EMERGENCY RELIEF

For administrative expenses and the payment of compensation in connection with the administration of the benefits authorized by section 2 of the Act entitled "Emergency Relief Appropriation Act of 1935", approved April 8, 1935 (49 Stat. 115-119), by the "Emergency Relief Appropriation Act of 1936", approved June 22, 1936 (49 Stat. 1608), and by the Emergency Relief Appropriation Act of 1937, approved June 29, 1937 (50 Stat. 352-358), \$2,936,546 of the special funds set up on the books of the Treasury pursuant to the provisions of the said Acts shall be available for expenditure during the fiscal year 1939 and the said special funds shall be combined and shall constitute one fund to be designated as the "Employees' Compensation Fund, Emergency Relief".

Employees' compensation fund, emergency relief.  
Administrative expenses and compensation payments.

49 Stat. 115, 1608.

50 Stat. 352.

Combination of special funds.

Total, Employees' Compensation Commission, \$5,261,475.

Federal Communi-  
cations Commission.Salaries and ex-  
penses.

48 Stat. 1064.  
47 U. S. C. § 151;  
Supp. III, § 151.  
36 Stat. 629.  
46 U. S. C. §§ 484-  
487; Supp. III, §§ 484-  
487.  
45 Stat. 2760.  
Submarine cable li-  
censes.

50 Stat. 1146.

## Minor purchases.

R. S. § 3709.  
41 U. S. C. § 5.

## Maintenance, etc.

Attendance at meet-  
ings.

Transmittal of in-  
formation by U. S.  
ships; reimburse-  
ment.

50 Stat. 195.  
47 U. S. C., Supp.  
III, § 357.  
Transportation of  
household goods, etc.

Services in the Dis-  
trict.Radio requirements  
for ships navigating  
Great Lakes, etc.

50 Stat. 197.  
47 U. S. C., Supp.  
III, § 602.  
Travel expenses,  
etc.

Printing and bind-  
ing.Federal Power Com-  
mission.

Expenses.  
*Post*, p. 1116.

## Vehicles.

## FEDERAL COMMUNICATIONS COMMISSION

For seven Commissioners, and for all other authorized expenditures of the Federal Communications Commission in performing the duties imposed by the Communications Act of 1934, approved June 19, 1934 (48 Stat. 1064), the Ship Act of 1910, approved June 24, 1910, as amended (46 U. S. C. 484-487), the International Radiotelegraphic Convention (45 Stat., pt. 2, p. 2760), Executive Order Numbered 3513, dated July 9, 1921, as amended under date of June 30, 1934, relating to applications for submarine cable licenses, and the radio-telegraphy provisions of the Convention for Promoting Safety of Life at Sea, ratified by the President of the United States, July 7, 1936, including personal services, contract stenographic reporting services, rental of quarters, newspapers, periodicals, reference books, law books, special counsel fees, supplies and equipment, including purchase and exchange of instruments, which may be purchased without regard to section 3709 of the Revised Statutes (41 U. S. C. 5) when the aggregate amount involved does not exceed \$25, improvement and care of grounds and repairs to buildings, not to exceed \$5,000, traveling expenses, including expenses of attendance at meetings which in the discretion of the Commission are necessary for the efficient discharge of its responsibilities, reimbursement to ships of the United States for charges incurred by such ships in transmitting information in compliance with section 357 of the Communications Act of 1934, as amended, expenses of packing, crating, drayage, and transportation of household goods and other personal effects (not to exceed in any case five thousand pounds) of officers and employees when transferred from one official station to another for permanent duty upon specific authorization by the Commission, and other necessary expenses, \$1,700,000, of which amount not to exceed \$1,108,449 may be expended for personal services in the District of Columbia.

Special study of radio requirements necessary for ships navigating the Great Lakes and inland waters of the United States: To enable the Federal Communications Commission to study and report to Congress the radio requirements necessary or desirable for safety purposes for ships navigating the Great Lakes and the inland waters of the United States, as provided in section 15 of the Act entitled "An Act to amend the Communications Act of 1934, approved June 19, 1934, for the purpose of promoting safety of life and property at sea through the use of wire and radio communications, to make more effective the International Convention for the Safety of Life at Sea, 1929, and for other purposes", approved May 20, 1937 (50 Stat. 189-198), including personal services in the District of Columbia and elsewhere; travel expenses, supplies and equipment, and such other contingent and miscellaneous expenses as may be necessary; \$20,000.

For all printing and binding for the Federal Communications Commission, \$25,000.

Total, Federal Communications Commission, \$1,745,000.

## FEDERAL POWER COMMISSION

For every expenditure requisite for and incident to the work of the Federal Power Commission as authorized by law, including traveling expenses; expenses of attendance at meetings which in the discretion of the Commission are necessary for the efficient discharge of its responsibilities; contract stenographic reporting services; rent outside the District of Columbia; purchase and exchange (not to exceed \$2,250), hire, maintenance, repair, and operation of motor-

propelled passenger-carrying vehicles, including not more than one such vehicle for general administrative use in the District of Columbia; supplies and office equipment; services; scientific instruments; expenses incurred in packing, crating, drayage and transportation of household effects and other property (not to exceed in any case five thousand pounds) of officers and employees when transferred from one official station to another for permanent duty, when specifically authorized by the Commission; and not exceeding \$6,000 for purchase and exchange of law books, other books of reference, newspapers, periodicals and newspaper clippings; \$1,450,000; of which amount not to exceed \$855,000 shall be available for personal services in the District of Columbia, exclusive of not to exceed \$25,000 which may be expended for consultants and special counsel: *Provided*, That the Commission may procure supplies and services without regard to section 3709 of the Revised Statutes (41 U. S. C. 5) when the aggregate amount involved does not exceed \$50.

For all printing and binding for the Federal Power Commission, including engraving, lithographing, and photolithographing, \$50,000.

Total, Federal Power Commission, \$1,500,000.

Transportation of household effects, etc.

Consultants, etc.

*Proviso.*  
Minor purchases, etc.  
R. S. § 3709.  
41 U. S. C. § 5.  
Printing and binding.

### FEDERAL TRADE COMMISSION

For five Commissioners, and for all other authorized expenditures of the Federal Trade Commission in performing the duties imposed by law or in pursuance of law, including secretary to the Commission and other personal services, contract stenographic reporting services; supplies and equipment, law books, books of reference, periodicals, garage rentals, traveling expenses, including not to exceed \$900 for expenses of attendance, when specifically authorized by the Commission, at meetings concerned with the work of the Federal Trade Commission, for newspapers and press clippings not to exceed \$600, foreign postage, and witness fees and mileage in accordance with section 9 of the Federal Trade Commission Act; \$2,134,000: *Provided*, That the Commission may procure supplies and services without regard to section 3709 of the Revised Statutes (41 U. S. C. 5) when the aggregate amount involved does not exceed \$50.

For all printing and binding for the Federal Trade Commission, including such parts of the report on principal farm products of the agricultural income inquiry made pursuant to Public Resolutions Numbered 61 and 112, Seventy-fourth Congress, as the Federal Trade Commission may direct, \$61,700, of which \$15,000 shall be immediately available.

Total, Federal Trade Commission, \$2,195,700.

Federal Trade Commission.

Expenses.

Attendance at meetings.

Witness fees, etc.  
38 Stat. 722.  
15 U. S. C. § 49.  
*Proviso.*  
Minor purchases.  
41 U. S. C. § 5.

Printing and binding.

49 Stat. 929, 1566.

### FOREIGN-SERVICE PAY ADJUSTMENT

Foreign-service pay adjustment of officers and employees of the United States in foreign countries due to appreciation of foreign currencies: For the purpose of carrying into effect the provisions of the Act entitled "An Act to authorize annual appropriations to meet losses sustained by officers and employees of the United States in foreign countries due to appreciation of foreign currencies in their relation to the American dollar, and for other purposes", approved March 26, 1934, and for each and every object and purpose specified therein, \$1,500,000.

Foreign-Service Pay Adjustment.

Losses due to foreign currency appreciation.

48 Stat. 466.  
5 U. S. C. § 118c.

### GENERAL ACCOUNTING OFFICE

Salaries: For Comptroller General, Assistant Comptroller General, and other personal services in the District of Columbia and elsewhere, \$4,954,600.

General Accounting Office.

Salaries.



Contingent expenses.

Contingent expenses: For traveling expenses, materials, supplies, equipment, and services; rent of buildings and equipment; furnishing of heat and light; purchase and exchange of books, law books, books of reference, and periodicals, typewriters, calculating machines, and other office appliances, including their development, repairs, and maintenance, including one motor-propelled passenger-carrying vehicle; and miscellaneous items; \$272,140: *Provided*, That section 3709 of the Revised Statutes (41 U. S. C. 5) shall not be construed to apply to any purchase or service rendered for the General Accounting Office when the aggregate amount involved does not exceed the sum of \$50.

*proviso.*  
Minor purchases.  
41 U. S. C. § 5.

Printing and binding.

For all printing and binding for the General Accounting Office, including monthly and annual editions of selected decisions of the Comptroller General of the United States, \$79,800.

Total, General Accounting Office, \$5,306,540.

Interstate Commerce Commission.

## INTERSTATE COMMERCE COMMISSION

Salaries and expenses.

### SALARIES AND EXPENSES

General administrative expenses.

General administrative expenses: For eleven Commissioners, secretary, and for all other authorized expenditures necessary in the execution of laws to regulate commerce, including one chief counsel, one director of finance, and one director of traffic at \$10,000 each per annum, field hearings, traveling expenses, and contract stenographic reporting services, \$2,544,000, of which amount not to exceed \$2,350,000 may be expended for personal services in the District of Columbia, exclusive of special counsel, for which the expenditure shall not exceed \$50,000; not exceeding \$3,000 for purchase and exchange of necessary books, reports, and periodicals; not exceeding \$100 in the open market for the purchase of office furniture similar in class or kind to that listed in the general supply schedule.

Services in the District.

Books, furniture, etc.

Regulating accounts.

34 Stat. 593; 36 Stat. 555; 41 Stat. 493.  
49 U. S. C. § 20.  
Special examiners.

Safety of railroad employees, etc.

Reports and investigations of accidents.

Safety signals.

34 Stat. 838.  
45 U. S. C. § 35.  
35 Stat. 325.  
45 U. S. C. §§ 36, 37.  
Testing appliances, etc.  
Services in the District.

Signal safety systems.  
41 Stat. 498; 50 Stat. 835.  
49 U. S. C. § 26; Supp. III, § 26.  
Automatic train-control devices.

Regulating accounts: To enable the Interstate Commerce Commission to enforce compliance with section 20 and other sections of the Interstate Commerce Act as amended by the Act approved June 29, 1906 (49 U. S. C. 20), and as amended by the Transportation Act, 1920 (49 U. S. C. 20), including the employment of necessary special accounting agents or examiners, and traveling expenses, \$840,000, of which amount not to exceed \$190,000 may be expended for personal services in the District of Columbia.

Safety of employees: To enable the Interstate Commerce Commission to keep informed regarding and to enforce compliance with Acts to promote the safety of employees and travelers upon railroads; the Act requiring common carriers to make reports of accidents and authorizing investigations thereof; and to enable the Interstate Commerce Commission to investigate and test appliances intended to promote the safety of railway operation, as authorized by the joint resolution approved June 30, 1906 (45 U. S. C. 35), and the provision of the Sundry Civil Act approved May 27, 1908 (45 U. S. C. 36, 37), to investigate, test experimentally, and report on the use and need of any appliances or systems intended to promote the safety of railway operation, inspectors, and for traveling expenses, \$506,000, of which amount not to exceed \$90,000 may be expended for personal services in the District of Columbia.

Signal safety systems: For all authorized expenditures under section 26 of the Interstate Commerce Act, as amended by the Transportation Act, 1920 (49 U. S. C. 26), and the Act of August 26, 1937 (50 Stat. 835), with respect to the provision thereof under which carriers by railroad subject to the Act may be required to install auto-

matic train-stop or train-control devices which comply with specifications and requirements prescribed by the Commission, including investigations and tests pertaining to block-signal and train-control systems, as authorized by the joint resolution approved June 30, 1906 (45 U. S. C. 35), and including the employment of the necessary engineers, and for traveling expenses, \$100,000, of which amount not to exceed \$40,000 may be expended for personal services in the District of Columbia.

**Locomotive inspection:** For all authorized expenditures under the provisions of the Act of February 17, 1911, entitled "An Act to promote the safety of employees and travelers upon railroads by compelling common carriers engaged in interstate commerce to equip their locomotives with safe and suitable boilers and appurtenances thereto" (45 U. S. C. 22), as amended by the Act of March 4, 1915, extending "the same powers and duties with respect to all parts and appurtenances of the locomotives and tender" (45 U. S. C. 30), and amendment of June 7, 1924 (45 U. S. C. 27), providing for the appointment from time to time by the Interstate Commerce Commission of not more than fifteen inspectors in addition to the number authorized in the first paragraph of section 4 of the Act of 1911 (45 U. S. C. 26), and the amendment of June 27, 1930 (45 U. S. C. 24, 26), including such legal, technical, stenographic, and clerical help as the business of the offices of the chief inspector and his two assistants may require and for traveling expenses, \$471,000, of which amount not to exceed \$71,450 may be expended for personal services in the District of Columbia.

**Valuation of property of carriers:** To enable the Interstate Commerce Commission to carry out the objects of the Act entitled "An Act to amend an Act entitled 'An Act to regulate commerce', approved February 4, 1887, and all Acts amendatory thereof, by providing for a valuation of the several classes of property of carriers subject thereto and securing information concerning their stocks, bonds, and other securities", approved March 1, 1913, as amended by the Act of June 7, 1922 (49 U. S. C. 19a), and by the "Emergency Railroad Transportation Act, 1933" (48 Stat., p. 221), including one director of valuation at \$10,000 per annum, and traveling expenses, \$640,000.

**Air mail:** To enable the Interstate Commerce Commission to perform the duties imposed upon it by the Act approved June 12, 1934, entitled "An Act to revise air-mail laws, and to establish a Commission to make a report to the Congress recommending an aviation policy" (39 U. S. C. 469-469q), as amended by the Act approved August 14, 1935, entitled "An Act to amend the air-mail laws and to authorize the extension of the Air Mail Service" (39 U. S. C. 469d-469m), including field hearings, field audits, traveling expenses, contract stenographic reporting services; office supplies and equipment; purchase and exchange of books, reports, and periodicals; \$200,000, of which amount not to exceed \$165,000 may be expended for personal services in the District of Columbia, exclusive of special counsel or special aviation assistants for which the expenditure shall not exceed \$20,000.

**Motor transport regulation:** For all authorized expenditures necessary to enable the Interstate Commerce Commission to carry out the provisions of the Motor Carrier Act, approved August 9, 1935 (49 U. S. C. 301-327), including one director at \$10,000 per annum and other personal services in the District of Columbia and elsewhere; traveling expenses; supplies; services and equipment; not to exceed \$1,000 for purchase and exchange of books, reports, and periodicals; contract stenographic reporting services; purchase (not

Block-signal, etc., systems.

34 Stat. 838.  
45 U. S. C. § 35.

Services in the District.

Locomotive inspection.

36 Stat. 913; 38 Stat. 1192; 40 Stat. 616; 43 Stat. 659; 46 Stat. 822.  
45 U. S. C. §§ 22, 30, 27.

Additional inspectors.

36 Stat. 914; 43 Stat. 659; 46 Stat. 823.  
45 U. S. C. §§ 26, 24.

Services in the District.

Valuation of property of carriers.

37 Stat. 701; 40 Stat. 270; 42 Stat. 624.  
49 U. S. C. § 19a.

Emergency Railroad Transportation Act, 1933.  
48 Stat. 221.

Air mail.

48 Stat. 933, 1243.  
39 U. S. C. §§ 469-469q.  
49 Stat. 614.  
39 U. S. C., Supp. III, §§ 469a-469m.  
Field hearings, etc.

Services in the District.

Motor transport regulation, expenses.

49 Stat. 543.  
49 U. S. C., Supp. III, §§ 301-327.  
Services in the District.

Vehicles.

*Proviso.*  
Use of Government  
transportation re-  
quests.

Attendance at meet-  
ings.

*Proviso.*  
Minor purchases.  
R. S. § 3709.  
41 U. S. C. § 5.

Printing and bind-  
ing.

*Proviso.*  
Schedule of Sailings,  
restriction on print-  
ing.  
41 Stat. 497.  
49 U. S. C. § 25.

National Advisory  
Committee for Aero-  
nautics.  
*Scientific research,*  
*etc.*

Traveling expenses,  
*etc.*

Langley Memorial  
Aeronautical Labora-  
tory.

Vehicles.

Personal services.

Allowances.

46 Stat. 818.  
5 U. S. C. § 118a.  
Wind tunnel, con-  
struction, etc.

Printing and bind-  
ing.

National Archives.

Salaries and expen-  
ses.

to exceed \$25,000), exchange, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles when necessary for official use in field work; not to exceed \$2,000 for the purchase of transportation to be used as evidence of violations of said Act, \$3,250,000, of which amount not exceeding \$75,000 may be expended for rent in the District of Columbia if Government-owned facilities are not available: *Provided*, That Joint Board members may use Government transportation requests when traveling in connection with their duties as Joint Board members.

Not to exceed \$2,500 of the appropriations herein made for the Interstate Commerce Commission shall be available for expenses, except membership fees, for attendance at meetings concerned with the work of the Commission.

In all, salaries and expenses, Interstate Commerce Commission, \$8,551,000: *Provided*, That the Commission may procure supplies and services without regard to section 3709 of the Revised Statutes (41 U. S. C. 5) when the aggregate amount involved does not exceed \$50.

For all printing and binding for the Interstate Commerce Commission, including reports in all cases proposing general changes in transportation rates and not to exceed \$10,000 to print and furnish to the States, at cost, report form blanks, and the receipts from such reports and blanks shall be credited to this appropriation, \$175,000: *Provided*, That no part of this sum shall be expended for printing the Schedule of Sailings required by section 25 of the Interstate Commerce Act.

Total, Interstate Commerce Commission, \$8,726,000.

#### NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

For scientific research, technical investigations, and special reports in the field of aeronautics, including the necessary laboratory and technical assistants; contracts for personal services in the making of special investigations and in the preparation of special reports; traveling expenses of members and employees, including not to exceed \$1,000 for expenses, except membership fees, of attendance upon meetings of technical and professional societies; office supplies and other miscellaneous expenses, including technical periodicals and books of reference; equipment, maintenance, and operation of the Langley Memorial Aeronautical Laboratory; purchase, maintenance, operation, and exchange of motor-propelled passenger-carrying vehicles, including not more than one for general administrative use in the District of Columbia; personal services in the field and not to exceed \$115,000 for personal services in the District of Columbia; in all, \$1,679,000, of which amount not to exceed \$2,000 may be expended for allowances for living quarters, including heat, fuel, and light, as authorized by the Act approved June 26, 1930 (46 Stat. 818), but not to exceed \$1,700 for any one person and not to exceed \$200,000 may be expended for beginning the construction and equipment of a wind tunnel under a contract or contracts for the construction and equipment thereof at a total cost of not to exceed \$540,000.

For all printing and binding for the National Advisory Committee for Aeronautics, including all of its offices, laboratories, and services located in Washington, District of Columbia, and elsewhere. \$21,000.

Total, National Advisory Committee for Aeronautics, \$1,700,000.

#### NATIONAL ARCHIVES

Salaries and expenses: For the Archivist and for all other authorized expenditures of The National Archives in carrying out the provi-

sions of the Act of June 19, 1934 (48 Stat. 1122-1124; 40 U. S. C. ch. 2A), as amended; the Act of July 26, 1935 (49 Stat. 500-503; U. S. C., Supp. II, title 44, ch. 8A), as amended; including personal services in the District of Columbia; supplies and equipment, including scientific, technical, first-aid, protective, and other apparatus and materials for the arrangement, titling, scoring, repair, processing, editing, duplication, reproduction, and authentication of photographic records (including motion-picture films) and sound recordings in the custody of the Archivist; purchase and exchange of books, including law books, books of reference, maps, and charts; contract stenographic reporting services; purchase of newspapers, periodicals, and press clippings; not to exceed \$100 for payment in advance when authorized by the Archivist for library membership in societies whose publications are available to members only or to members at a price lower than to the general public; travel expenses, including not to exceed \$1,000 for the expenses of attendance at meetings concerned with the work of The National Archives; repairs to equipment; maintenance and operation of motor vehicles; and all other necessary expenses, \$775,000: *Provided*, That section 3709 of the Revised Statutes (41 U. S. C. 5) shall not be construed to apply to any purchase or service rendered for The National Archives when the aggregate cost involved does not exceed the sum of \$50: *Provided further*, That six months after the date of approval of this Act, notwithstanding any provisions to the contrary in section 2 of The National Archives Act, approved June 19, 1934, and section 1 of the Federal Register Act, approved July 26, 1935, all persons employed in The National Archives establishment under section 2 of The National Archives Act and section 1 of the Federal Register Act shall be appointed by the Archivist in accordance with the civil-service laws and the Classification Act of 1923, as amended: *And provided further*, That all persons employed under section 2 of The National Archives Act and section 1 of the Federal Register Act in said establishment six months after the date of approval of this Act, regardless of the method by which they were appointed, who do not have a competitive classified civil-service status shall acquire such a status (1) upon recommendation by the Archivist and certification by him to the Civil Service Commission that such persons have rendered satisfactory service in said establishment for not less than six months and (2) upon passing such suitable noncompetitive tests as the Civil Service Commission shall prescribe.

Printing and binding: For all printing and binding for The National Archives, \$14,000.

Total, The National Archives, \$789,000.

### NATIONAL CAPITAL PARK AND PLANNING COMMISSION

For each and every purpose requisite for and incident to the work of the National Capital Park and Planning Commission necessary toward carrying into effect the provisions of the Act entitled "An Act for the acquisition, establishment, and development of the George Washington Memorial Parkway along the Potomac from Mount Vernon and Fort Washington to the Great Falls, and to provide for the acquisition of lands in the District of Columbia and the States of Maryland and Virginia requisite to the comprehensive park, parkway, and playground system of the National Capital", approved May 29, 1930; personal services, including real estate and other technical services, at rates of pay to be fixed by the Commission and not exceeding those usual for similar services and without

48 Stat. 1122.  
40 U. S. C. §§ 231-241.  
49 Stat. 500.  
44 U. S. C., Supp. III, §§ 301-314.  
49 Stat. 1821.  
40 U. S. C., Supp. III, § 238.  
Supplies and equipment.

Membership fees.

Attendance at meetings.

*Provisos.*  
Minor purchases.  
R. S. § 3709.  
41 U. S. C. § 5.

Appointments hereafter to be under civil service, etc., Acts.

5 U. S. C. §§ 631-652, 661-674; Supp. III, §§ 673, 673c.  
Civil service status of personnel.

Noncompetitive tests prescribed.

Printing and binding.

National Capital Park and Planning Commission.

Salaries and expenses.

George Washington Memorial Parkway.

46 Stat. 482.  
Personal services.

5 U. S. C. §§ 631-652, 661-674; Supp. III, §§ 673, 673c.

Acquisition of land. Vehicles.

reference to civil-service rules and the Classification Act of 1923, as amended; travel expenses; expenses of surveys and searching of titles, purchase of options, and all other costs incident to the acquisition of land, operation and maintenance of passenger-carrying vehicles for official use, \$625,000, to be expended in carrying out the provisions of section 4 of said Act, and to remain available until expended.

National Labor Relations Board.

Salaries and expenses.  
49 Stat. 451.  
29 U. S. C., Supp. III, § 153.

*Proviso.*  
Minor purchases.  
R. S. § 3709.  
41 U. S. C. § 5.

Printing and binding.

### NATIONAL LABOR RELATIONS BOARD

**Salaries and expenses:** For three Board members, and for all other authorized and necessary expenditures of the National Labor Relations Board in performing the duties imposed by law or in pursuance of law, including rent and personal services in the District of Columbia and elsewhere; repairs and alterations; communications; contract stenographic reporting services, and not to exceed \$300 for law books; books of reference; newspapers; periodicals; operation; maintenance, and repair of one automobile; \$2,830,000: *Provided*, That the Board may procure supplies and services without regard to section 3709 of the Revised Statutes (41 U. S. C. 5) when the aggregate amount involved does not exceed \$50.

**Printing and binding:** For all printing and binding for the National Labor Relations Board in Washington and elsewhere, \$125,000.

Total, National Labor Relations Board, \$2,955,000.

National Mediation Board.

Salaries and expenses.  
48 Stat. 1193.  
45 U. S. C. § 154.

Arbitration boards.

Emergency boards.

44 Stat. 586.  
45 U. S. C. § 160.

Printing and binding.

### NATIONAL MEDIATION BOARD

For three members of the Board, and for other authorized expenditures of the National Mediation Board in performing the duties imposed by law, including contract stenographic reporting services; supplies and equipment; not to exceed \$200 for newspapers, books of reference and periodicals, \$140,700, of which amount not to exceed \$107,060 may be expended for personal services in the District of Columbia.

**Arbitration boards:** To enable the National Mediation Board to pay necessary expenses of arbitration boards, including compensation of members and employees of such boards, together with their necessary traveling expenses and expenses actually incurred for subsistence while so employed, and printing of awards, together with proceedings and testimony relating thereto, as authorized by the Railway Labor Act, including also contract stenographic reporting service, and rent of quarters when suitable quarters cannot be supplied in any Federal building, the unexpended balance of previous appropriations for this purpose shall be available.

**Emergency boards:** For expenses of emergency boards appointed by the President to investigate and report respecting disputes between carriers and their employees, as authorized by section 10, Railway Labor Act, approved May 20, 1926 (45 U. S. C. 160), the unexpended balance of previous appropriations for this purpose shall be available.

For all printing and binding for the National Mediation Board, \$2,300.

### NATIONAL RAILROAD ADJUSTMENT BOARD

National Railroad Adjustment Board.  
48 Stat. 1189.  
45 U. S. C. § 153.  
Referees.

For authorized expenditures of the National Railroad Adjustment Board, in performing the duties imposed by law, including contract stenographic reporting services and supplies and equipment, \$191,200, of which \$35,000 shall be available only for services of referees and not more than \$108,660 may be expended for other personal services.

For all printing and binding for the National Railroad Adjustment Board, \$40,000.

Total, National Mediation Board, \$374,200.

Printing and binding.

### PAN AMERICAN EXPOSITION

Pan American Exposition: For participation by the United States in the Pan American Exposition to be held in Tampa, Florida, in the year 1939 in commemoration of the landing of Hernando De Soto in Tampa Bay, as authorized by and in accordance with the provisions of Public Resolution Numbered 72, 75th Congress, approved August 26, 1937, \$100,000, to be immediately available: *Provided*, That not to exceed \$45,000 of this amount may be expended for rent without regard to section 322 of the Act of June 30, 1932 (47 Stat. 412) (50 Stat. 831-834).

Pan American Exposition.

Participation expenses.

50 Stat. 831.  
*Proviso.*  
Rent.  
47 Stat. 412; 50 Stat. 831.  
40 U. S. C. § 40a.

### PROTECTION OF INTERESTS OF THE UNITED STATES IN MATTERS AFFECTING OIL LANDS IN FORMER NAVAL RESERVES

Protection of interests of the United States in matters affecting oil lands in former naval reserves: For compensation and expenses of special counsel and for all other expenses, including employment of experts and other assistants at such rates as may be authorized or approved by the President, in connection with carrying into effect the joint resolution entitled "Joint resolution directing the Secretary of the Interior to institute proceedings touching sections 16 and 36, township 30 south, range 23 east, Mount Diablo meridian", approved February 21, 1924, \$34,000, to be expended by the President: *Provided*, That no part of this sum shall be used to compensate any person at a rate in excess of \$10,000 per annum.

Oil lands in former naval reserves.

Protection of interests of U. S. in matters affecting.

43 Stat. 15.  
*Proviso.*  
Compensation restriction.

### RAILROAD RETIREMENT BOARD

For salaries and expenses, Railroad Retirement Board: For three Board members and for all other authorized and necessary expenditures of the Railroad Retirement Board in performing the duties imposed by law or in pursuance of law, including rent; personal and other services in the District of Columbia and elsewhere; traveling expenses, including not to exceed \$1,000 for expenses of attendance at meetings concerned with the work of the Board when specifically authorized by the Board; not to exceed \$2,500 for payment of actual transportation expenses, and per diem (not to exceed \$10) in lieu of subsistence and other expenses, of persons serving while away from their homes without other compensation in an advisory capacity to the Railroad Retirement Board; repairs and alterations; contract stenographic reporting services; office appliances and labor-saving devices; supplies and equipment (including photographic equipment); not to exceed \$5,000 for law books, books of reference, newspapers, press clippings, periodicals, and for payment in advance when authorized by the Board for library membership in organizations which issue publications to members only or to members at a price lower than to the general public; operation, maintenance, and repair of motor-propelled passenger-carrying vehicles to be used only for official purposes in the District of Columbia and elsewhere; and other necessary expenses; \$2,190,000: *Provided*, That the Board may procure supplies and services without regard to section 3709 of the Revised Statutes (41 U. S. C. 5) when the aggregate amount does not exceed \$50.

Railroad Retirement Board.

Salaries and expenses.  
*Post*, p. 1118.

Attendance at meetings.

Persons in an advisory capacity, per diem, etc.

Supplies, etc.

Library membership fees.

Vehicles.

*Proviso.*  
Minor purchases.  
R. S. § 3709.  
41 U. S. C. § 5.

Railroad retirement account.  
49 Stat. 967; 50 Stat. 307.  
45 U. S. C., Supp. III, §§ 215, 228p.

*Proviso.*  
Availability.

Printing and binding.  
*Post*, p. 1118.

Rural Electrification Administration.  
Salaries and expenses.  
*Post*, p. 818.  
49 Stat. 1363.  
7 U. S. C., Supp. III, § 901.

Attendance at meetings.

Supplies, etc.

Vehicles.

*Proviso.*  
Minor purchases.  
R. S. § 3709.  
41 U. S. C. § 5.

Printing and binding.

Loans and purchase of property.  
49 Stat. 1364.  
7 U. S. C. §§ 903-905, 907.

Securities and Exchange Commission.

Salaries and expenses.  
*Post*, p. 1118.

Attendance at meetings.

**Railroad retirement account:** For an amount sufficient as an annual premium for the payments required under the Railroad Retirement Act, approved August 29, 1935, and the Railroad Retirement Act, approved June 24, 1937, and authorized to be appropriated to the railroad retirement account established under section 15 (a) of the latter Act, \$118,250,000: *Provided*, That such amount shall be available until expended for making payments required under said retirement Acts, and the amount not required for current payments shall be invested by the Secretary of the Treasury in accordance with the provisions of said Railroad Retirement Act of June 24, 1937.

For printing and binding for the Railroad Retirement Board, \$25,000.

Total, Railroad Retirement Board, \$120,465,000.

## RURAL ELECTRIFICATION ADMINISTRATION

**Salaries and expenses:** For administrative expenses and expenses of studies, investigations, publications, and reports necessary to carry out the provisions of the Rural Electrification Act of 1936, approved May 20, 1936, including the salary of the Administrator and other personal services in the District of Columbia and elsewhere; traveling expenses, including expenses of attendance of officers and employees at meetings when determined by the Administrator to be necessary in furthering the work of the Administration; contract stenographic reporting services; expert witness fees; materials, supplies, equipment, and services; rentals, including buildings and parts of buildings and garages, in the District of Columbia and elsewhere; purchase and exchange of books, law books, books of reference, directories, and periodicals; not to exceed \$200 for newspapers and press clippings; financial and credit reports; purchase, rental, exchange, operation, maintenance, and repair of typewriters, calculating machines, and other office appliances; operation, maintenance, and repair of one motor-propelled passenger-carrying vehicle to be used only for official purposes; and all other expenses necessary to administer said Act, \$1,650,000: *Provided*, That section 3709 of the Revised Statutes (41 U. S. C. 5) shall not be construed to apply to any purchase or service rendered for the Rural Electrification Administration when the aggregate amount involved does not exceed \$100.

**Printing and binding:** For printing and binding for the Rural Electrification Administration, \$52,000.

**Loans, Rural Electrification Administration:** For loans in accordance with sections 3, 4, and 5, and the purchase of property in accordance with section 7, of the Rural Electrification Act of May 20, 1936 (7 U. S. C. 901-914), \$40,000,000.

Total, Rural Electrification Administration, \$41,702,000.

## SECURITIES AND EXCHANGE COMMISSION

For five Commissioners, and other personal services in the District of Columbia, and for all other authorized expenditures of the Securities and Exchange Commission in performing the duties imposed by law or in pursuance of law, including employment of experts when necessary; contract stenographic reporting services; supplies and equipment; purchase and exchange of law books, books of reference, directories, periodicals, newspapers, and press clippings; travel expenses, including the expense of attendance, when specifically authorized by the Commission, at meetings concerned with the work of the Securities and Exchange Commission; garage rental; foreign postage; mileage and witness fees; rent of quarters outside

the District of Columbia; rental of equipment; and other necessary expenses; \$3,850,000: *Provided*, That section 3709 of the Revised Statutes (41 U. S. C. 5) shall not be construed to apply to any purchase or service rendered for the Securities and Exchange Commission when the aggregate cost involved does not exceed the sum of \$50.

For all printing and binding for the Securities and Exchange Commission, \$57,000.

Total, Securities and Exchange Commission, \$3,907,000.

*Proviso.*  
Minor purchases.  
R. S. § 3709.  
41 U. S. C. § 5.

Printing and binding.  
*Post*, p. 1118.

SMITHSONIAN INSTITUTION

For expenses of the general administrative office; for the system of international exchanges between the United States and foreign countries; for continuing ethnological researches among the American Indians and the natives of Hawaii and the excavation and preservation of archeologic remains; for maintenance of the Astrophysical Observatory, including assistants and making necessary observations in high altitudes; for cases, furniture, fixtures and appliances required for the exhibition and safekeeping of collections; and for administration of the National Collection of Fine Arts; including personal services, purchase of books of reference and periodicals, traveling expenses, uniforms for guards, supplies and equipment, preparation of manuscripts, drawings, and illustrations, supplying of heating, lighting, electrical, telegraphic, and telephone service, repairs and alterations of buildings, shops, sheds and approaches, and other necessary expenses, \$343,785.

Preservation of collections: For continuing preservation, exhibition, and increase of collections from the surveying and exploring expeditions of the Government, and from other sources, including personal services, traveling expenses, purchasing and supplying uniforms to guards and elevator conductors, postage stamps and foreign postal cards and all other necessary expenses, and not exceeding \$5,500 for preparation of manuscripts, drawings, and illustrations for publications, and not exceeding \$3,000 for purchase of books, pamphlets, and periodicals, \$609,380.

Printing and binding: For all printing and binding for the Smithsonian Institution, including all of its bureaus, offices, institutions, and services located in Washington, District of Columbia, and elsewhere, \$68,000, of which not to exceed \$8,000 shall be available for printing the report of the American Historical Association.

Total, Smithsonian Institution, \$1,021,165, of which amount not to exceed \$846,000 may be expended for personal services in the District of Columbia.

Smithsonian Institution.

Administrative expenses.

Ethnological researches.

Astrophysical Observatory.

National Collection of Fine Arts.

Preservation of collections.

Printing and binding.

American Historical Association report.

Services in the District.

SOCIAL SECURITY BOARD

Salaries and expenses: For all authorized and necessary administrative expenses of the Social Security Board in performing the duties imposed upon it in titles I, II, III, IV, VII, IX, and X of the Social Security Act, approved August 14, 1935, including three Board members, an executive director at a salary of \$9,500 a year, a director of the old-age benefits division at a salary of \$9,000 a year, and other personal services in the District of Columbia and elsewhere; travel expenses, including not to exceed \$10,000 for expenses of attendance at meetings concerned with the work of the Board when specifically authorized by the chairman: *Provided*, That no part of the funds herein appropriated for travel shall be used for travel in foreign countries; not to exceed \$10,000 for payment of actual transportation expenses and not to exceed \$10 per diem in

Social Security Board.

Salaries and expenses.

49 Stat. 620-629, 635, 639, 645.  
42 U. S. C., Supp. III, § 301.

Travel expenses.

*Proviso.*  
Travel in foreign countries.  
Transportation and per diem.



Supplies.	lieu of subsistence and other expenses of persons serving while away from their home, without other compensation, in an advisory capacity to the Social Security Board; supplies; reproducing, photographing, and all other equipment, office appliances, and labor-saving devices;
Services.	services; advertising, postage, telephone, telegraph, and not to exceed \$900 for teletype news services and tolls; newspapers and press clippings (not to exceed \$1,500), periodicals, manuscripts and special reports, purchase and exchange of law books and other books of reference; library membership fees or dues in organizations which issue publications to members only or to members at a lower price than to others, payment for which may be made in advance; alterations and repairs; rentals, including garages, in the District of Columbia or elsewhere; purchase and exchange, not to exceed \$25,000, operation, maintenance, and repair of motor-propelled passenger-carrying vehicles to be used only for official purposes in the District of Columbia and in the field; and miscellaneous items, including those for public instruction and information deemed necessary by the Board, \$21,450,000: <i>Provided</i> , That section 3709 of the Revised Statutes (41 U. S. C. 5) shall not be construed to apply to any purchase by the Board when the aggregate amount involved does not exceed the sum of \$100: <i>Provided further</i> , That the Board may expend not to exceed \$25,000 of the sum herein appropriated for temporary employment of persons or organizations, by contract or otherwise, for special accounting, actuarial, statistical, translating and reporting, engineering, and organizational services determined necessary by the Board, without regard to section 3709 of the Revised Statutes (41 U. S. C. 5), and the provisions of other laws applicable to the employment and compensation of officers and employees of the United States: <i>Provided further</i> , That no salary shall be paid for personal services from the money herein appropriated under the heading "Social Security Board" in excess of the rates allowed by the Classification Act of 1923, as amended, for similar services: <i>Provided further</i> , That this latter proviso shall not apply to the salaries of the Board members nor to the compensation of persons or organizations temporarily employed for the special services described in the second proviso of this paragraph.
Library membership fees.	
Alterations and repairs.	
Vehicles.	
Provisos.	
Minor purchases.	
R. S. § 3709.	
41 U. S. C. § 5.	
Temporary employes, special accounting, etc.	
Contracts.	
R. S. § 3709.	
41 U. S. C. § 5.	
Salary restriction.	
5 U. S. C. §§ 661-674; Supp. III, §§ 673, 673c.	
Board members excepted.	
Printing and binding.	For printing and binding for the Social Security Board, \$850,000.
Grants to States.	Grants to States for old-age assistance: For grants to States for assistance to aged needy individuals, as authorized in title I of the Social Security Act, approved August 14, 1935, \$214,000,000, of which sum such amount as may be necessary shall be available for grants under such title I for any period in the fiscal year 1938 subsequent to March 31, 1938: <i>Provided</i> , That payments to States for the fourth quarter of the fiscal year 1938 and for any quarter in the fiscal year 1939 under such title I may be made with respect to any State plan approved under such title I by the Social Security Board prior to or during such period, but no such payment shall be made with respect to any plan for any period prior to the quarter in which such plan was submitted to the Board for approval.
Old-age assistance.	
49 Stat. 620.	
42 U. S. C., Supp. III, § 301.	
Proviso.	
Payments restricted.	
Unemployment compensation administration.	Grants to States for unemployment compensation administration: For grants to States for unemployment compensation administration, as authorized in title III of the Social Security Act, approved August 14, 1935, including rentals in the District of Columbia and elsewhere, \$40,000,000.
49 Stat. 626.	
42 U. S. C., Supp. III, § 501.	
Aid to dependent children.	Grants to States for aid to dependent children: For grants to States for the purpose of enabling each State to furnish financial assistance to needy dependent children, as authorized in title IV of the Social Security Act, approved August 14, 1935, \$45,000,000, of
49 Stat. 627.	
42 U. S. C., Supp. III, § 601.	

which sum such amount as may be necessary shall be available for grants under such title IV for any period in the fiscal year 1938 subsequent to March 31, 1938: *Provided*, That payments to States for the fourth quarter of the fiscal year 1938 and for any quarter in the fiscal year 1939 under such title IV may be made with respect to any State plan approved under such title IV by the Social Security Board prior to or during such period, but no such payment shall be made with respect to any plan for any period prior to the quarter in which such plan was submitted to the Board for approval.

Grants to States for aid to the blind: For grants to States for the purpose of enabling each State to furnish financial assistance to needy individuals who are blind, as authorized in title X of the Social Security Act, approved August 14, 1935, \$8,000,000, of which sum such amount as may be necessary shall be available for grants under such title X for any period in the fiscal year 1938 subsequent to March 31, 1938: *Provided*, That payments to States for the fourth quarter of the fiscal year 1938 and for any quarter in the fiscal year 1939 under such title X may be made with respect to any State plan approved under such title X by the Social Security Board prior to or during such period, but no such payment shall be made with respect to any plan for any period prior to the quarter in which such plan was submitted to the Board for approval.

The appropriations herein made for "Grants to States for old-age assistance", "Grants to States for aid to dependent children", and "Grants to States for aid to the blind", shall be available interchangeably for transfer of appropriations, but no such transfer shall be made except upon approval of the Director of the Bureau of the Budget.

Total, Social Security Board, \$329,300,000.

#### TARIFF COMMISSION

For salaries and expenses of the Tariff Commission, including personal services in the District of Columbia and elsewhere, purchase and exchange of labor-saving devices, the purchase of professional and scientific books, law books, books of reference, gloves and other protective equipment for photostat and other machine operators, rent in the District of Columbia and elsewhere, subscriptions to newspapers and periodicals, and contract stenographic reporting services, as authorized by sections 330 to 341 of the Tariff Act of 1930, approved June 17, 1930 (19 U. S. C. 1330-1341), \$918,000, of which amount not to exceed \$2,500 may be expended for expenses, except membership fees, of attendance at meetings concerned with subjects under investigation by the Commission; and not to exceed \$7,500 for allowances for living quarters, including heat, fuel, and light, as authorized by the Act approved June 26, 1930 (5 U. S. C. 118a), but not to exceed \$1,700 for any one person: *Provided*, That the Commission may procure supplies and services without regard to section 3709 of the Revised Statutes (41 U. S. C. 5) when the aggregate amount involved does not exceed \$50: *Provided further*, That no part of this appropriation shall be used to pay the salary of any member of the Tariff Commission who shall hereafter participate in any proceedings under sections 336, 337, and 338 of the Tariff Act of 1930, wherein he or any member of his family has any special, direct, and pecuniary interest, or in which he has acted as attorney or special representative.

For all printing and binding for the Tariff Commission, \$15,000.

Total, Tariff Commission, \$933,000.

*Proviso.*  
Payments restricted.

Aid to the blind.  
49 Stat. 645.  
42 U. S. C., Supp.  
III, § 1201.

Availability.

*Proviso.*  
Payments restricted.

Designated funds  
interchangeable.

Approval.

Tariff Commission.

Salaries and expenses.

Contract reporting  
services.  
46 Stat. 696.  
19 U. S. C. §§ 1330-  
1341.

Attendance at meetings.  
Living quarters.  
46 Stat. 818.  
5 U. S. C. § 118a.

*Provisos.*  
Minor purchases.  
R. S. § 3709.  
41 U. S. C. § 5.  
Salary restriction.  
46 Stat. 701.  
19 U. S. C. §§ 1336-  
1338.

Printing and binding.

Tennessee Valley  
Authority.

## TENNESSEE VALLEY AUTHORITY

Continuation of construction.  
48 Stat. 58; 49 Stat. 1075.  
16 U. S. C., ch. 12a; Supp. III, ch. 12a.  
Designated dams.

Preliminary investigations.

Printing and binding.

Salaries and expenses.

Provisos.  
Accounting.

Procurement of equipment.  
50 Stat. 217.

Contracts.

For the purpose of carrying out the provisions of the Act entitled "The Tennessee Valley Authority Act of 1933", approved May 18, 1933 (16 U. S. C. ch. 12a), as amended by the Act approved August 31, 1935 (49 Stat. 1075-1081), including the continued construction of Pickwick Landing Dam, Guntersville Dam, Chickamauga Dam, and Hiwassee Dam, and for construction of a dam at or near Gilbertsville, Kentucky, and for preliminary investigations of sites for dams at or near Watts Bar and at or near Coulter Shoals on the Tennessee River, Tennessee, and the acquisition of necessary land, the clearing of such land, relocation of highways, and the construction or purchase of transmission lines and other facilities, and all other necessary works authorized by such Acts, and for printing and binding, law books, books of reference, newspapers, periodicals, purchase, maintenance, and operation of passenger-carrying vehicles, rents in the District of Columbia and elsewhere, and all necessary salaries and expenses connected with the organization, operation, and investigations of the Tennessee Valley Authority, and for examination of estimates of appropriations and activities in the field, fiscal year 1939, \$40,000,000: *Provided*, That this appropriation and any unexpended balance on June 30, 1938, in the "Tennessee Valley Authority fund, 1938", and the receipts of the Tennessee Valley Authority from all sources during the fiscal year 1939 (except as limited by section 26 of the Tennessee Valley Authority Act of 1933, as amended), shall be covered into and accounted for as one fund to be known as the "Tennessee Valley Authority fund, 1939", to remain available until June 30, 1939, and to be available for the payment of obligations chargeable against the "Tennessee Valley Authority fund, 1938" and for contractual obligations for the procurement of equipment as authorized in the Second Deficiency Appropriation Act, fiscal year 1937: *Provided further*, That in addition to the amount herein appropriated, the Tennessee Valley Authority is hereby authorized to incur obligations and enter into contracts for the procurement of equipment to be installed in dams and power-houses in an amount not in excess of \$4,000,000, and this action shall be deemed a contractual obligation of the Tennessee Valley Authority and the United States for payment of the cost thereof.

Veterans' Administration.

## VETERANS' ADMINISTRATION

Administration, medical, hospital, and domiciliary services.  
Salaries and expenses.

46 Stat. 1016.  
38 U. S. C. §§ 11-11f.

Provisos.  
Attendance at meetings, etc.

Services, rentals, traveling expenses, etc.

Administration, medical, hospital, and domiciliary services: For all salaries and expenses of the Veterans' Administration, including the expenses of maintenance and operation of medical, hospital, and domiciliary services of the Veterans' Administration, in carrying out the duties, powers, and functions devolving upon it pursuant to the authority contained in the Act entitled "An Act to authorize the President to consolidate and coordinate governmental activities affecting war veterans", approved July 3, 1930 (38 U. S. C. 11-11f), and any and all laws for which the Veterans' Administration is now or may hereafter be charged with administering, \$93,000,000: *Provided*, That not to exceed \$3,500 of this amount shall be available for expenses, except membership fees, of employees, detailed by the Administrator of Veterans' Affairs to attend meetings of associations for the promotion of medical science and annual national conventions of organized war veterans: *Provided further*, That this appropriation shall be available also for personal services and rentals in the District of Columbia and elsewhere, including traveling expenses; examination of estimates of appropri-

ations in the field, including actual expenses of subsistence or per diem allowance in lieu thereof; for expenses incurred in packing, crating, drayage, and transportation of household effects and other property, not exceeding in any one case five thousand pounds, of employees when transferred from one official station to another for permanent duty and when specifically authorized by the Administrator; furnishing and laundering of such wearing apparel as may be prescribed for employees in the performance of their official duties; purchase and exchange of law books, books of reference, periodicals, and newspapers; for passenger-carrying and other motor vehicles, including purchase, maintenance, repair, and operation of same, including not more than two passenger automobiles for general administrative use of the central office in the District of Columbia; and notwithstanding any provisions of law to the contrary, the Administrator is authorized to utilize Government-owned automotive equipment in transporting children of Veterans' Administration employees located at isolated stations to and from school under such limitations as he may by regulation prescribe; and notwithstanding any provisions of law to the contrary, the Administrator is authorized to expend not to exceed \$2,000 of this appropriation for actuarial services pertaining to the Government life-insurance fund, to be obtained by contract, without obtaining competition, at such rates of compensation as he may determine to be reasonable; for allotment and transfer to the Public Health Service, the War, Navy, and Interior Departments, for disbursement by them under the various headings of their applicable appropriations, of such amounts as are necessary for the care and treatment of beneficiaries of the Veterans' Administration, including minor repairs and improvements of existing facilities under their jurisdiction necessary to such care and treatment; for expenses incidental to the maintenance and operation of farms; for recreational articles and facilities at institutions maintained by the Veterans' Administration; for administrative expenses incidental to securing employment for war veterans; for funeral, burial, and other expenses incidental thereto for beneficiaries of the Veterans' Administration accruing during the year for which this appropriation is made or prior fiscal years: *Provided further*, That the appropriations herein made for the care and maintenance of veterans in hospitals or homes under the jurisdiction of the Veterans' Administration shall be available for the purchase of tobacco to be furnished, subject to such regulations as the Administrator of Veterans' Affairs shall prescribe, to veterans receiving hospital treatment or domiciliary care in Veterans' Administration hospitals or homes: *Provided further*, That this appropriation shall be available for continuing aid to State or Territorial homes for the support of disabled volunteer soldiers and sailors, in conformity with the Act approved August 27, 1888 (24 U. S. C. 134), as amended, for those veterans eligible for admission to Veterans' Administration facilities for domiciliary care.

No part of this appropriation shall be expended for the purchase of any site for or toward the construction of any new hospital or home, or for the purchase of any hospital or home; and not more than \$3,100,000 of this appropriation may be used to repair, alter, improve, or provide facilities in the several hospitals and homes under the jurisdiction of the Veterans' Administration either by contract or by the hire of temporary employees and the purchase of materials.

For printing and binding for the Veterans' Administration, including all its bureaus and functions located in Washington, District of Columbia, and elsewhere, \$112,500.

Subsistence, etc.

Wearing apparel.

Vehicles.

Children of certain employees, school transportation.

Actuarial services.

Transfer of funds.

Recreational facilities, etc.

Burial, etc., expenses.

Purchase of tobacco.

Aid to State, etc., homes.

25 Stat. 450.  
24 U. S. C. § 134.

Restriction on new construction.

Improving facilities.

Printing and binding.

Pensions, etc.

Emergency officers' retirement pay, etc.

Military and naval insurance.

Adjusted service and dependent pay.

43 Stat. 125.  
38 U. S. C. §§ 631-632, 661-670; Supp. III, §§ 662-664.

Hospital and domiciliary facilities.  
*Provisos.*  
Extending facilities.

46 Stat. 1550, 1551.  
38 U. S. C. § 438j, 438k.  
Technical and clerical assistants.

*Proviso.*  
Butter substitutes.

Emergency agencies.

Commodity Credit Corporation.

Administrative expenses.  
*Post*, p. 1118.

49 Stat. 4.

50 Stat. 5.

Travel expenses.  
44 Stat. 688.  
5 U. S. C. §§ 821-833.  
Printing and binding.

*Proviso.*  
Nonadministrative expenses.

**Pensions:** For the payment of compensation, pensions, gratuities, and allowances, now authorized under any Act of Congress, or regulation of the President based thereon, or which may hereafter be authorized, including emergency officers' retirement pay and annuities, the administration of which is now or may hereafter be placed in the Veterans' Administration, accruing during the fiscal year for which this appropriation is made or in prior fiscal years, \$410,000,000, to be immediately available.

**For military and naval insurance** accruing during the fiscal year for which this appropriation is made or in prior fiscal years, \$40,055,000.

**Adjusted service and dependent pay:** For payment of adjusted-service credits of not more than \$50 each and the quarterly installments due to dependents of deceased veterans, as provided in the Act of May 19, 1924, as amended (38 U. S. C. 631-632, 661-670; U. S. C., Supp. I, secs. 662-664), \$250,000, to be immediately available and to remain available until expended.

**Hospital and domiciliary facilities:** For hospital and domiciliary facilities, \$4,500,000, to remain available until expended: *Provided*, That this amount shall be available for use by the Administrator of Veterans' Affairs, with the approval of the President, for extending any of the facilities under the jurisdiction of the Veterans' Administration or for any of the purposes set forth in sections 1 and 2 of the Act approved March 4, 1931 (38 U. S. C. 438j): *Provided further*, That not to exceed 3 per centum of this amount shall be available for the employment in the District of Columbia and in the field of necessary technical and clerical assistants to aid in the preparation of plans and specifications for the projects as approved hereunder and in the supervision of the execution thereof, and for traveling expenses, rentals in the District of Columbia, field office equipment, and supplies in connection therewith.

**Total, Veterans' Administration, \$547,917,500:** *Provided*, That no part of this appropriation shall be expended for the purchase of oleomargarine or butter substitutes except for cooking purposes.

## EMERGENCY AGENCIES

### COMMODITY CREDIT CORPORATION

Not to exceed \$520,288 of the funds of the Commodity Credit Corporation, established as an agency of the Government by Executive Order Numbered 6340, dated October 16, 1933, continued to April 1, 1937, as a governmental agency under section 7 of the Act approved January 31, 1935 (Public, Numbered 1, Seventy-fourth Congress), and further continued to June 30, 1939, by the Act of January 26, 1937 (Public, Numbered 2, Seventy-fifth Congress), shall be available during the fiscal year 1939 for administrative expenses of the Corporation, including personal services in the District of Columbia and elsewhere; travel expenses, in accordance with the Standardized Government Travel Regulations and the Act of June 3, 1926, as amended (5 U. S. C. 821-833); printing and binding; law books and books of reference; not to exceed \$150 for periodicals, maps, and newspapers; procurement of supplies, equipment, and services; typewriters, adding machines; and other labor-saving devices, including their repair and exchange; rent in the District of Columbia and elsewhere; and all other necessary administrative expenses: *Provided*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property

belonging to the Corporation or in which it has an interest, including expenses of collections of pledged collateral, shall be considered as nonadministrative expenses for the purposes hereof.

### ELECTRIC HOME AND FARM AUTHORITY

Not to exceed \$400,000 of the funds of the Electric Home and Farm Authority, established as an agency of the Government by Executive Order Numbered 7139 of August 12, 1935, continued to February 1, 1937, by the Act of March 31, 1936 (Public, Numbered 484, Seventy-fourth Congress), and continued further until June 30, 1939, by the Act of January 26, 1937 (Public, Numbered 2, Seventy-fifth Congress), shall be available during the fiscal year 1939 for administrative expenses of the Authority, including personal services in the District of Columbia and elsewhere; travel expenses, in accordance with the Standardized Government Travel Regulations and the Act of June 3, 1926, as amended (5 U. S. C. 821-833); printing and binding; law books and books of reference; not to exceed \$200 for periodicals, newspapers, and maps; procurement of supplies, equipment, and services; typewriters, adding machines, and other labor-saving devices, including their repair and exchange; rent in the District of Columbia and elsewhere; and all other administrative expenses: *Provided*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, care, repair, and disposition of any security or collateral now or hereafter held or acquired by the Authority, shall be considered as nonadministrative expenses for the purposes hereof.

Electric Home and Farm Authority.

Administrative expenses.

49 Stat. 1186.

50 Stat. 5.

Travel expenses.

44 Stat. 688.  
5 U. S. C. § 821-833.  
Printing and binding.

*Proviso.*  
Nonadministrative expenses.

### EXPORT-IMPORT BANK OF WASHINGTON

Not to exceed \$50,000 of the funds of the Export-Import Bank of Washington, established as an agency of the Government by Executive Order Numbered 6581 of February 2, 1934, continued until June 16, 1937, by the Act approved January 31, 1935 (Public, Numbered 1, Seventy-fourth Congress), and further continued until June 30, 1939, under the Act approved January 26, 1937 (Public, Numbered 2, Seventy-fifth Congress), shall be available during the fiscal year 1939 for administrative expenses of the bank, including personal services in the District of Columbia and elsewhere; travel expenses, in accordance with the Standardized Government Travel Regulations and the Act of June 3, 1926, as amended (5 U. S. C. 821-833); printing and binding; law books and books of reference; not to exceed \$250 for periodicals, newspapers, and maps; procurement of supplies, equipment, and services; typewriters, adding machines, and other labor-saving devices, including their repair and exchange; rent in the District of Columbia and elsewhere; and all other necessary administrative expenses: *Provided*, That all necessary expenses (including special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the bank or in which it has an interest, including expenses of collections of pledged collateral, shall be considered as nonadministrative expenses for the purposes hereof.

Export-Import Bank of Washington.

Administrative expenses.

49 Stat. 4.

50 Stat. 5.

Travel expenses.  
44 Stat. 688.  
5 U. S. C. §§ 821-833.  
Printing and binding.

*Proviso.*  
Nonadministrative expenses.

### FEDERAL HOME LOAN BANK BOARD

For the administrative expenses of the Federal Home Loan Bank Board, established by the Federal Home Loan Bank Act of July 22, 1932 (47 Stat. 725), including personal services in the District of Columbia and elsewhere; travel expenses, in accordance with the

Federal Home Loan Bank Board.

Administrative expenses.

47 Stat. 725.  
12 U. S. C. §§ 1421-1449; Supp. III, ch. 11.  
Travel expenses.

44 Stat. 688.  
5 U. S. C. §§ 821-833.  
Printing and binding.

Supplies, etc.

Use of other services  
and facilities.

*Provisos.*  
Nonadministrative  
expenses.

Payment.

47 Stat. 725.  
12 U. S. C. §§ 1421-  
1449; Supp. III, ch. 11.

Home Owners' Loan  
Corporation.

Administrative ex-  
penses.  
48 Stat. 128.  
12 U. S. C. §§ 1461-  
1468; Supp. III, ch. 12.

Travel expenses.  
44 Stat. 688.  
5 U. S. C. §§ 821-833.

Printing and bind-  
ing.  
Supplies, etc.

Use of designated  
services.

*Provisos.*  
Nonadministrative  
expenses.

Payment.

48 Stat. 128.  
12 U. S. C. §§ 1461-  
1468; Supp. III, ch. 12.

Standardized Government Travel Regulations and the Act of June 3, 1926, as amended (5 U. S. C. 821-833); printing and binding; law books, books of reference, and not to exceed \$500 for periodicals and newspapers; procurement of supplies, equipment, and services; typewriters, adding machines, and other labor-saving devices, including their repair and exchange; rent outside of the District of Columbia; payment, when specifically authorized by the Board, of actual transportation expenses and not to exceed \$10 per diem in lieu of subsistence and other expenses of persons serving, while away from their homes, without other compensation from the United States, in an advisory capacity to the Board; use of the services and facilities of the Home Owners' Loan Corporation and the Federal Savings and Loan Insurance Corporation; and all other necessary administrative expenses, \$1,320,000, payable from assessments upon the Federal home loan banks and receipts of the Federal Home Loan Bank Board from other sources for the fiscal year 1939 and prior fiscal years: *Provided*, That all necessary expenses (including services performed on a contract or fee basis, but not including other personal services) in connection with the sale, issuance, and retirement of, or payment of interest on, debentures or bonds, under said Federal Home Loan Bank Act, as amended, shall be considered as nonadministrative expenses for the purposes hereof: *Provided further*, That except for the limitations in amounts hereinbefore specified, and the restrictions in respect to travel expenses, the administrative expenses and other obligations of the Board shall be incurred, allowed, and paid in accordance with the provisions of said Act of July 22, 1932, as amended (12 U. S. C. 1421-1449).

#### HOME OWNERS' LOAN CORPORATION

Not to exceed \$26,500,000 of the funds of the Home Owners' Loan Corporation, established by the Home Owners' Loan Act of 1933 (48 Stat. 128), shall be available during the fiscal year 1939 for administrative expenses of the Corporation, including personal services in the District of Columbia and elsewhere; travel expenses, in accordance with the Standardized Government Travel Regulations and the Act of June 3, 1926, as amended (5 U. S. C. 821-833); printing and binding; law books, books of reference, and not to exceed \$500 for periodicals and newspapers; procurement of supplies, equipment, and services; maintenance, repair, and operation of motor-propelled passenger-carrying vehicles, to be used only for official purposes; typewriters, adding machines, and other labor-saving devices, including their repair and exchange; rent in the District of Columbia and elsewhere; use of the services and facilities of the Federal Home Loan Bank Board, Federal home-loan banks, and Federal Reserve banks; and all other necessary administrative expenses: *Provided*, That all necessary expenses (including services performed on a force account, contract or fee basis, but not including other personal services) in connection with the acquisition, protection, operation, maintenance, improvement, or disposition of real or personal property belonging to the Corporation or in which it has an interest, shall be considered as nonadministrative expenses for the purposes hereof: *Provided further*, That except for the limitations in amounts hereinbefore specified, and the restrictions in respect to travel expenses, the administrative expenses and other obligations of the Corporation shall be incurred, allowed, and paid in accordance with the provisions of said Home Owners' Loan Act of 1933, as amended (12 U. S. C. 1461-1468).

## FEDERAL HOUSING ADMINISTRATION

Not to exceed \$5,000,000 of the mutual mortgage insurance fund and \$3,500,000 of the funds advanced by the Reconstruction Finance Corporation to the Federal Housing Administration, created under authority of the National Housing Act of June 27, 1934 (48 Stat. 1246), in all, \$8,500,000, shall be available during the fiscal year 1939 for administrative expenses of the Administration, including: Personal services in the District of Columbia and elsewhere; travel expenses, in accordance with the Standardized Government Travel Regulations and the Act of June 3, 1926, as amended (5 U. S. C. 821-833), but there may be allowed in addition to mileage at a rate not to exceed 4 cents per mile for travel by motor vehicle reimbursement for the actual cost of ferry fares and bridge and tunnel tolls, and employees engaged in the inspection of property may be paid an allowance not to exceed 4 cents per mile for all travel performed by motor vehicle in connection with such inspection; printing and binding; law books, books of reference, and not to exceed \$1,500 for periodicals and newspapers; not to exceed \$1,500 for contract actuarial services; procurement of supplies, equipment, and services; maintenance, repair, and operation of motor-propelled passenger-carrying vehicles, to be used only for official purposes; payment, when specifically authorized by the Administrator, of actual transportation expenses and not to exceed \$10 per diem in lieu of subsistence and other expenses to persons serving, while away from their homes, without other compensation from the United States, in an advisory capacity to the Administration; not to exceed \$2,000 for expenses of attendance, when specifically authorized by the Administrator, at meetings concerned with the work of the Administration; typewriters, adding machines, and other labor-saving devices, including their repair and exchange; rent in the District of Columbia and elsewhere; and all other necessary administrative expenses: *Provided*, That all necessary expenses (including services performed on a contract or fee basis, but not including other personal services) in connection with the operation, maintenance, improvement, or disposition of real or personal property of the Administration acquired under authority of title II of said National Housing Act, shall be considered as nonadministrative expenses for the purposes hereof, and shall be paid from the mutual mortgage insurance fund created by said Act: *Provided further*, That except for the limitations in amounts hereinbefore specified, and the restrictions in respect to travel expenses, the administrative expenses and other obligations of the Administration shall be incurred, allowed, and paid in accordance with the provisions of said Act of June 27, 1934, as amended (12 U. S. C. 1701-1723): *Provided further*, That not exceeding \$300,000 of the sum herein authorized shall be expended in the District of Columbia during the fiscal year 1939 for purposes of the Public Relations and Education Division.

## FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

Not to exceed \$277,000 of the funds of the Federal Savings and Loan Insurance Corporation, established by title IV of the National Housing Act of June 27, 1934 (48 Stat. 1246), shall be available during the fiscal year 1939 for administrative expenses of the Corporation, including personal services in the District of Columbia and elsewhere; travel expenses, in accordance with the Standardized Government Travel Regulations and the Act of June 3, 1926, as

Federal Housing Administration.

Administrative expenses.

48 Stat. 1246.  
12 U. S. C. §§ 1701-1732; Supp. III, ch. 13.

Travel expenses.

44 Stat. 688.  
5 U. S. C. §§ 821-833.

Printing and binding.

Supplies, etc.

Attendance at meetings.

*Provided*.  
Nonadministrative expenses.

Payment.

48 Stat. 1246.  
12 U. S. C. §§ 1701-1723; Supp. III, ch. 13.

Amount for Public Relations and Education Division.

Federal Savings and Loan Insurance Corporation.

Administrative expenses.

48 Stat. 1255.  
12 U. S. C. § 1724; Supp. III, § 1725.

Travel expenses.

44 Stat. 688.  
5 U. S. C. §§ 821-833.



Printing and binding.

Use of services, etc., of designated agencies.

*Provisos.*  
Nonadministrative expenses.

Payment.

48 Stat. 1246.  
12 U. S. C. §§ 1701-1732; Supp. III, ch. 13.

Federal Emergency Administration of Public Works.

Administrative expenses.  
*Post*, p. 816.

Travel expenses.  
44 Stat. 688.  
5 U. S. C. §§ 821-833.  
Printing and binding.

Supplies, etc.  
Vehicles.

Attendance at meetings.

*Proviso.*  
Payment of administrative expenses, etc.

48 Stat. 200.

Reconstruction Finance Corporation.

Administrative expenses.  
47 Stat. 5.  
15 U. S. C. §§ 601-617; Supp. III, ch. 14.

Travel expenses.  
44 Stat. 688.  
5 U. S. C. §§ 821-833.  
Printing and binding.

*Provisos.*  
Nonadministrative expenses.

amended (5 U. S. C. 821-833); printing and binding; law books, books of reference, and not to exceed \$250 for periodicals and newspapers; procurement of supplies, equipment, and services; typewriters, adding machines, and other labor-saving devices, including their repair and exchange; use of the services and facilities of the Federal Home Loan Bank Board, Federal home loan banks, Federal Reserve banks, and agencies of the Government as authorized by said title IV; and all other necessary administrative expenses: *Provided*, That all necessary expenses in connection with the liquidation of insured institutions under said title IV shall be considered as non-administrative expenses for the purposes hereof: *Provided further*, That, except for the limitations in amounts hereinbefore specified, and the restrictions in respect to travel expenses, the administrative expenses and other obligations of the Corporation shall be incurred, allowed, and paid in accordance with the provisions of said Act of June 27, 1934, as amended (12 U. S. C. 1725-1732).

### FEDERAL EMERGENCY ADMINISTRATION OF PUBLIC WORKS

Not to exceed \$9,000,000, from funds on hand or to be received from the sale of securities, shall be available during the fiscal year 1939 for administrative expenses in connection with the liquidation of said Administration, including personal services in the District of Columbia and elsewhere; travel expenses, in accordance with the Standardized Government Travel Regulations and the Act of June 3, 1926, as amended (5 U. S. C. 821-833); printing and binding; law books, books of reference, and not to exceed \$500 for periodicals, newspapers, and press clippings; procurement of supplies, equipment, and services; maintenance, repair, and operation of motor-propelled passenger-carrying vehicles, to be used only for official purposes; typewriters, adding machines, and other labor-saving devices, including their repair and exchange; not to exceed \$1,000 for expenses of attendance, when specifically authorized by the Administrator, at meetings concerned with the work of the Administration; rent in the District of Columbia and elsewhere; and all other necessary administrative expenses: *Provided*, That except for the limitations in amounts hereinbefore specified, and the restrictions in respect to travel expenses, the administrative expenses and other obligations of the Administration shall be incurred, allowed, and paid in accordance with the provisions of Title II of the National Industrial Recovery Act.

### RECONSTRUCTION FINANCE CORPORATION

Not to exceed \$9,250,000 of the funds of the Reconstruction Finance Corporation, established by the Act of January 22, 1932 (47 Stat. 5), shall be available during the fiscal year 1939 for administrative expenses of the Corporation, and of The RFC Mortgage Company, including personal services in the District of Columbia and elsewhere; travel expenses, in accordance with the Standardized Government Travel Regulations and the Act of June 3, 1926, as amended (5 U. S. C. 821-833); printing and binding; law books, books of reference, and not to exceed \$1,000 for periodicals and newspapers; procurement of supplies, equipment, and services; typewriters, adding machines, and other labor-saving devices, including their repair and exchange, rent in the District of Columbia and elsewhere; use of the services and facilities of the Federal Reserve banks; and all other necessary administrative expenses: *Provided*, That all necessary expenses in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property be-

longing to the Corporation or The RFC Mortgage Company or in which they have an interest, including expenses of collections of pledged collateral, shall be considered as nonadministrative expenses for the purposes hereof: *Provided further*, That notwithstanding the provisions of section 4 hereof, except for the limitations in amounts hereinbefore specified, and the restrictions in respect to travel expenses, the administrative expenses and other obligations of the Corporation shall be incurred, allowed, and paid in accordance with the provisions of said Act of January 22, 1932, as amended (15 U. S. C. 601-617).

SEC. 2. In expending appropriations or portions of appropriations contained in this Act, for the payment of personal services in the District of Columbia in accordance with the Classification Act of 1923, as amended, the average of the salaries of the total number of persons under any grade in any bureau, office, or other appropriation unit shall not at any time exceed the average of the compensation rates specified for the grade by such Act, as amended, and in grades in which only one position is allocated the salary of such position shall not exceed the average of the compensation rates for the grade except that in unusually meritorious cases of one position in a grade, advances may be made to rates higher than the average of the compensation rates of the grade but not more often than once in any fiscal year and then only to the next higher rate: *Provided*, That this restriction shall not apply (1) to grades 1, 2, 3, and 4 of the clerical-mechanical service; or (2) to require the reduction in salary of any person whose compensation was fixed, as of July 1, 1924, in accordance with the rules of section 6 of such Act; (3) to require the reduction in salary of any person who is transferred from one position to another position in the same or different grade, in the same or different bureau, office, or other appropriation unit; (4) to prevent the payment of a salary under any grade at a rate higher than the maximum rate of the grade when such higher rate is permitted by the Classification Act of 1923, as amended, and is specifically authorized by other law; or (5) to reduce the compensation of any person in a grade in which only one position is allocated.

SEC. 3. During the fiscal year ending June 30, 1939, the salaries of the Commissioners of the Interstate Commerce Commission and the Commissioners of the United States Tariff Commission shall be at the rate of \$10,000 each per annum.

SEC. 4. None of the funds made available by this Act for administrative expenses of the agencies under the caption "Emergency agencies" shall be obligated or expended unless and until an appropriate appropriation account shall have been established therefor pursuant to an appropriation warrant or a covering warrant, and all such expenditures shall be accounted for and audited in accordance with the terms and provisions of the Budget and Accounting Act of 1921, as amended.

SEC. 5. No part of any appropriation contained in this Act or authorized hereby to be expended shall be used to pay the compensation of any officer or employee of the Government of the United States, or of any agency the majority of the stock of which is owned by the Government of the United States, whose post of duty is in continental United States unless such person is a citizen of the United States, or a person in the service of the United States on the date of the approval of this Act who being eligible for citizenship has filed a declaration of intention to become a citizen or who owes allegiance to the United States.

SEC. 6. This Act may be cited as the "Independent Offices Appropriation Act, 1939".

Approved, May 23, 1938.

Payment of administrative expenses, etc.

47 Stat. 5.  
15 U. S. C. §§ 601-617; Supp. III, ch. 14.

Salaries limited to average rates under Classification Act.  
5 U. S. C. §§ 661-674; Supp. III, §§ 673, 673c.

*Proviso.*  
Restriction not applicable to clerical-mechanical service.  
No reduction in fixed salary.  
5 U. S. C. § 666.  
Transfer without reduction.

Higher rates permitted.

If only one position in a grade.

Interstate Commerce Commission and Tariff Commission; salary rates of Commissioners.

Emergency agencies, establishment of appropriate appropriation accounts required.

Accounting.

42 Stat. 20.  
31 U. S. C. § 1.

Citizenship requirements.  
*Post*, p. 1163.

Short title.

## [CHAPTER 260]

## AN ACT

May 23, 1938  
[S. 842]  
[Public, No. 535]

To provide for an investigation and report of losses resulting from the campaign for the eradication of the Mediterranean fruit fly by the Department of Agriculture.

Mediterranean Fruit  
Fly Board.  
Composition, com-  
pensation, etc.

Termination.

Investigation and  
survey of losses to  
Florida growers re-  
sulting from fruit-fly  
campaign.  
Time limitation on  
filing report.

Proviso.  
Report to serve as  
information only.

Report to Congress  
with recommenda-  
tions.

Personal services.

Appropriation au-  
thorized.  
Post, p. 1125.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That a board is hereby created, to be known as the Mediterranean Fruit Fly Board, to be composed of five individuals to be appointed by the Secretary of Agriculture. Any vacancy occurring in the Board shall be filled in the same manner as the original appointment. Each member of the Board, other than members holding office under the State or Federal Government, shall receive compensation at the rate of \$10 per day while actually employed on the business of the Board. The Board shall cease to exist upon transmitting its report under section 2 of this Act.

SEC. 2. The Board is authorized and directed to conduct a complete investigation and survey of all losses sustained by growers and farmers in the State of Florida resulting from the campaign to eradicate the Mediterranean fruit fly in such State and transmit to the Secretary of Agriculture not later than March 15, 1939, a full report of the results of such investigation and survey: *Provided*, That such report shall serve as information only and shall not be construed as imposing any legal or moral obligation upon the Government of the United States. The Secretary of Agriculture shall, as soon thereafter as practicable, transmit such report of survey to Congress, together with such recommendations as he may, in his judgment, deem advisable.

SEC. 3. With the approval of the Secretary of Agriculture, the Board may (1) without regard to the provisions of other laws applicable to the employment and compensation of officers and employees of the United States employ and fix the compensation and duties of such employees as may be necessary to carry out the purposes of this Act; but the compensation of such employees shall correspond, so far as may be practicable, to the rates established by the Classification Act of 1923, as amended; and may (2) make such expenditures, including expenditures for travel and subsistence expense, for personal services at the seat of government and elsewhere, and for printing and binding, as are necessary for the efficient execution of its functions under this Act.

SEC. 4. That there is hereby authorized to be appropriated the sum of \$10,000, or so much thereof as may be necessary, for the purpose of carrying out the provisions of this Act.

Approved, May 23, 1938.

## [CHAPTER 261]

## AN ACT

May 23, 1938  
[S. 2676]  
[Public, No. 536]

To amend the Act approved August 24, 1935, entitled "An Act to authorize the erection of a suitable memorial to Major General George W. Goethals within the Canal Zone."

Major General  
George W. Goethals'  
memorial.  
Amount authorized  
for erection increased.  
49 Stat. 743.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 2 of the Act to authorize the erection of a suitable memorial to Major General George W. Goethals within the Canal Zone, approved August 24, 1935, be, and the same is hereby, amended as follows: strike out the figures "\$75,000" where they occur in said section and insert in lieu thereof "\$160,000" so that section 2 as amended will read: "There is hereby authorized to be appropriated, out of any moneys in the Treasury of the United States not otherwise appro-

priated, a sum not to exceed \$160,000 for every object connected with the purposes of this Act, including site development and any essential approach work.”

Approved, May 23, 1938.

## [CHAPTER 262]

## AN ACT

To authorize the Secretary of the Treasury to transfer the title and all other interests in the old tower clock from the Escambia County Courthouse Building, acquired by the Government by deed, to the Pensacola Historical Society of Pensacola, Escambia County, Florida.

May 23, 1938

[S. 3220]

[Public, No. 537]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Treasury is hereby authorized to permit the removal of the old tower clock in its entirety from the Escambia County Courthouse Building, Pensacola, Florida, which was acquired by the Government from the county of Escambia, Florida, by deed of May 22, 1937, in exchange for the old post-office building, the title and all other interests in said tower clock to be given into the custody of the Pensacola Historical Society of Pensacola, Escambia County, Florida: *Provided*, That the removal of the clock shall be without expense to the Government.

Pensacola Historical Society, Pensacola, Fla.  
Transfer of title, etc., in tower clock to, authorized.

*Proriso.*  
Removal without Federal expense.

Approved, May 23, 1938.

## [CHAPTER 263]

## JOINT RESOLUTION

Extending for two years the time within which American claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the Mixed Claims Commission and the Tripartite Claims Commission, and extending until March 10, 1940, the time within which Hungarian claimants may make application for payment, under the Settlement of War Claims Act of 1928, of awards of the War Claims Arbitrator.

May 23, 1938

[S. J. Res. 253]

[Pub. Res., No. 98]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (g) of section 2 and subsection (f) of section 5 of the Settlement of War Claims Act of 1928, as amended, are further amended, respectively, by striking out the words “ten years” wherever such words appear therein and inserting in lieu thereof the words “twelve years”.

SEC. 2. The first sentence of subsection (h) of section 6 of the Settlement of War Claims Act of 1928, as amended, is further amended to read as follows:

“No payment shall be made under this section unless application therefor is made by March 10, 1940, in accordance with such regulations as the Secretary of the Treasury may prescribe.”

Approved, May 23, 1938.

Settlement of War Claims Act, amendment.

45 Stat. 254; 49 Stat. 1934.

Time for making application for payment by American claimants.

45 Stat. 264; 49 Stat. 1934.

Time limitation extended.

## [CHAPTER 265]

## AN ACT

To amend section 4132 of the Revised Statutes, as amended.

May 24, 1938

[H. R. 10704]

[Public, No. 538]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the first sentence of section 4132 of the Revised Statutes as amended (U. S. C., 1934 edition, title 46, sec. 11), is hereby amended to read as follows:

“Vessels built within the United States and belonging wholly to citizens thereof; and vessels which may be captured in war by citizens of the United States and lawfully condemned as prize, or which may be adjudged to be forfeited for a breach of the laws of the

Shipping.

R. S. § 4132.  
46 U. S. C. § 11.

Vessels entitled to registry.

Engaged in trade  
with foreign countries,  
Philippine Islands,  
etc.

United States; and seagoing vessels, whether steam or sail, which have been certified by the Bureau of Marine Inspection and Navigation as safe to carry dry and perishable cargo, wherever built, which are to engage only in trade with foreign countries, with the Philippine Islands, the Islands of Guam, Tutuila, Wake, Midway, and Kingman Reef, being wholly owned by citizens of the United States or corporations organized and chartered under the laws of the United States, or of any State thereof, the president and managing directors of which shall be citizens of the United States, and no others, may be registered as directed in this title."

Approved, May 24, 1938.

[CHAPTER 266]

AN ACT

May 24, 1938  
[S. 750]

[Public, No. 539]

United States  
courts.  
Relief of persons erroneously convicted who have served all or part of sentence.  
Innocence established by courts or pardoning authority.

Suit for damages  
permitted.

Admissible evidence.

Pardon to recite  
basis for granting, etc.

Actions in forma  
pauperis.  
Extent of award.

To grant relief to persons erroneously convicted in courts of the United States.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That any person who, having been convicted of any crime or offense against the United States and having been sentenced to imprisonment and having served all or any part of his sentence, shall hereafter, on appeal or on a new trial or rehearing, be found not guilty of the crime of which he was convicted or shall hereafter receive a pardon on the ground of innocence, if it shall appear that such person did not commit any of the acts with which he was charged or that his conduct in connection with such charge did not constitute a crime or offense against the United States or any State, Territory, or possession of the United States or the District of Columbia, in which the offense or acts are alleged to have been committed, and that he has not, either intentionally, or by willful misconduct, or negligence, contributed to bring about his arrest or conviction, may, subject to the limitations and conditions hereinafter stated, and in accordance with the provisions of the Judicial Code, maintain suit against the United States in the Court of Claims for damages sustained by him as a result of such conviction and imprisonment.

SEC. 2. The only evidence admissible on the issue of innocence of the plaintiff shall be a certificate of the court in which such person was adjudged not guilty or a pardon or certified copy of a pardon, and such certificate of the court, pardon, or certified copy of a pardon shall contain recitals or findings that—

(a) Claimant did not commit any of the acts with which he was charged; or

(b) that his conduct in connection with such charge did not constitute a crime or offense against the United States or any State, Territory, or possession of the United States or the District of Columbia, in which the offense or acts are alleged to have been committed; and

(c) that he has not, either intentionally, or by willful misconduct, or negligence, contributed to bring about his arrest or conviction.

SEC. 3. No pardon or certified copy of a pardon shall be filed with the Court of Claims unless it contains recitals that the pardon was granted after applicant had exhausted all recourse to the courts and further that the time for any court to exercise its jurisdiction had expired.

SEC. 4. Upon a showing satisfactory to it, the Court may permit the plaintiff to prosecute such action in forma pauperis. In the event that the court shall render judgment for the plaintiff, the amount of damages awarded shall not exceed the sum of \$5,000.

Approved, May 24, 1938.

## [CHAPTER 267]

## AN ACT

To impose additional duties upon the United States Public Health Service in connection with the investigation and control of the venereal diseases.

May 24, 1938  
[S. 3290]  
[Public, No. 540]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act approved July 9, 1918, is hereby amended by adding, after section 4 of chapter XV (40 Stat. 886; U. S. C., title 42, sec. 25), sections 4a, 4b, 4c, 4d, and 4e to read as follows:

"SEC. 4a. For the purpose of assisting States, counties, health districts, and other political subdivisions of the States in establishing and maintaining adequate measures for the prevention, treatment, and control of the venereal diseases; for the purpose of making studies, investigations, and demonstrations to develop more effective measures of prevention, treatment, and control of the venereal diseases, including the training of personnel; for the pay, allowances, and traveling expenses of commissioned officers and other personnel assigned to duties in carrying out the purposes of sections 4a to 4e, inclusive, of this Act in the District of Columbia and elsewhere; and for the printing of reports, documents, and other material relating thereto, there is hereby authorized to be appropriated for the fiscal year ending June 30, 1939, not exceeding the sum of \$3,000,000; for the fiscal year ending June 30, 1940, not exceeding the sum of \$5,000,000; for the fiscal year ending June 30, 1941, not exceeding the sum of \$7,000,000; and for each fiscal year thereafter, such sum as may be deemed necessary to carry out the purposes of sections 4a to 4e, inclusive, of this Act.

"SEC. 4b. Prior to the beginning of each fiscal year the Surgeon General of the Public Health Service shall determine, out of the appropriations made pursuant to section 4a, the sum to be allotted to the several States, including the District of Columbia, Alaska, Puerto Rico, Virgin Islands, and Hawaii. The Surgeon General shall then allot such sum to the several States upon the basis of (1) the population, (2) the extent of the venereal-disease problem, and (3) the financial needs of the respective States. Upon making such allotments he shall certify the amounts thereof to the Secretary of the Treasury. The amount of an allotment to any State for any fiscal year remaining unpaid at the end of such fiscal year shall be available for allotment to the States for the succeeding fiscal year in addition to the amount appropriated and available for such fiscal year.

"SEC. 4c. Prior to the beginning of each quarter of the fiscal year the Surgeon General of the Public Health Service shall determine the amount to be paid to each State for such quarter from the allotment to such State, and shall certify the amount so determined to the Secretary of the Treasury. Upon receipt of such certification, the Secretary of the Treasury shall, through the Division of Disbursement of the Treasury Department and prior to audit or settlement by the General Accounting Office, pay in accordance with such certification. The moneys so paid to any State shall be expended in carrying out the purposes specified in section 4a, and in accordance with plans presented by the health authority of such State and approved by the Surgeon General of the Public Health Service.

"SEC. 4d. With the approval of the Secretary of the Treasury and after consultation with a conference of State and Territorial health officers, the Surgeon General of the Public Health Service is authorized to prescribe the rules and regulations necessary to carry out the purposes of sections 4a to 4e, inclusive, of this Act.

"SEC. 4e. Sections 4a to 4e, inclusive, of this Act shall not be construed as superseding or limiting the functions, under any other Act,

United States Public Health Service. Investigation and control of venereal diseases.  
40 Stat. 886.  
42 U. S. C. § 25.  
Assistance to States, etc.

Personal services.

Printing.

Amount authorized for fiscal year 1939, and thereafter.  
*Post*, p. 1152.

Determination of annual allotments, basis.

Certification to Secretary of the Treasury.

Quarterly allotments.

Expenditure.

Rules, etc., to be prescribed.

Provisions not to supersede, etc., existing functions.

of the Public Health Service relating to the prevention, treatment, and control of venereal diseases, or the expenditure of money therefor."

Approved, May 24, 1938.

[CHAPTER 268]

AN ACT

May 24, 1938  
[H. R. 5030]  
[Public, No. 541]

Granting pensions and increases of pensions to certain soldiers, sailors, and nurses of the War with Spain, the Philippine Insurrection, or the China Relief Expedition, and for other purposes.

Pensions.  
Service of 90 days or more during War with Spain, Philippine Insurrection, or China Relief Expedition.

If discharged for disability.

Pensionable status on reaching age of 65 years.

Provisos.  
Leaves of absence and furloughs.

Provisions extended to female contract nurses.

Increase for pensioner helpless by age, disability, etc., requiring an attendant.

Commencement of payment.

Payment, if pensioner deceased.

Army and Navy Medal of Honor Roll, pensions not affected.

Provisos.  
Soldiers' Home, etc., inmates.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That all persons who served ninety days or more in the military or naval service of the United States during the War with Spain, the Philippine Insurrection, or the China Relief Expedition between the dates of April 21, 1898, and July 4, 1902, both dates inclusive, and who have been honorably discharged therefrom, or who, having served less than ninety days, were discharged for disability incurred in the service in line of duty, upon reaching the age of sixty-five years shall, upon making proof of such fact, be placed upon the pension roll and entitled to receive a pension of \$60 a month: *Provided*, That all leaves of absence and furloughs under General Orders, Numbered 130, August 29, 1898, War Department, shall be included in determining the period of pensionable service: *Provided further*, That the provisions, limitations and benefits of this section be, and hereby are, extended to and shall include any woman who served honorably as a nurse, chief nurse, or superintendent of the Nurse Corps under contract for ninety days or more between April 21, 1898, and February 2, 1901, inclusive, and to any such nurse, regardless of length of service, who was released from service before the expiration of the ninety days because of disability contracted by her while in the service in line of duty.

SEC. 2. Any soldier, sailor, or marine, or nurse with service as defined in section 1 of this Act now on the pension roll or who may be hereafter entitled to a pension under existing laws, or under this Act on account of his service during the War with Spain, the Philippine Insurrection, or China Relief Expedition, who is now or hereafter may become, on account of age or physical or mental disabilities, helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person, shall be given a rate of \$100 a month.

SEC. 3. That the pension or increased rate of pension herein provided for shall commence from the date of filing application therefor after the approval of this Act in such form as may be prescribed by the Administrator of Veterans' Affairs, provided they are entitled to a pension under the provisions of this Act, and the issue of a check in payment of a pension for which the execution and submission of a voucher was not required shall constitute payment in the event of the death of the pensioner on or after the last day of the period covered by such check, and it shall not be canceled, but shall become an asset of the estate of the deceased pensioner.

SEC. 4. Nothing contained in this Act shall be held to affect or diminish the additional pension to those on the roll designated as the Army and Navy Medal of Honor Roll, as provided by the Act of April 27, 1916, but any pension or increase of pension herein provided for shall be in addition thereto: *Provided*, That no one while an inmate of the United States Soldiers' Home or of any National or State Soldiers' Home, and while the Government of the United States contributes toward defraying the expense incurred in pro-

viding such inmate with domiciliary care, shall be paid more than \$50 per month under this Act: *Provided further*, That any pension paid to any person under the provisions of this Act shall be in lieu of any other pension to which he might be entitled to under any other war service pension Act.

Pension to be in lieu of any other.

SEC. 5. That nothing contained in the provisions of this Act shall be construed to diminish or reduce any pension heretofore granted.

Existing pensions not reduced.

Approved, May 24, 1938.

[CHAPTER 273]

JOINT RESOLUTION

Making an additional appropriation for grants to States for unemployment compensation administration, Social Security Board, for the fiscal year ending June 30, 1938.

May 25, 1938  
[H. J. Res. 678]  
[Pub. Res., No. 99]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$3,500,000 as an additional amount for the fiscal year ending June 30, 1938, for grants to States for unemployment compensation administration, as authorized in title III of the Social Security Act, approved August 14, 1935, and under the limitations in the appropriation for this purpose in the Independent Offices Appropriation Act, 1938.

Social Security Board.  
Additional appropriation for grants to States for unemployment compensation administration.  
49 Stat. 626.  
42 U. S. C., Supp. III, §§ 501-503.  
50 Stat. 343.

Approved, May 25, 1938.

[CHAPTER 274]

AN ACT

To authorize the purchase and distribution of products of the fishing industry.

May 25, 1938  
[S. 3595]  
[Public, No. 542]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That, out of any funds available to the Federal Surplus Commodities Corporation, not to exceed a sum equal to the difference between \$1,000,000 and the sum expended by such Corporation in carrying out the provisions of the joint resolution entitled "Joint resolution to make funds available to carry out the provisions of existing law authorizing the purchase and distribution of products of the fishing industry", approved April 12, 1937, may be used by such Corporation for the purpose of diverting surplus fish (including shellfish) and the products thereof from the normal channels of trade and commerce by acquiring them and providing for their distribution through Federal, State, and private relief channels. The provisions of law relating to the acquisition of materials or supplies for the United States shall not apply to the acquisition of commodities under this Act.

Fishing industry products.  
Funds made available for purchase and distribution of.

50 Stat. 61.

Provisions not applicable.

Approved, May 25, 1938.

[CHAPTER 275]

AN ACT

To provide additional funds for buildings for the use of the diplomatic and consular establishments of the United States.

May 25, 1938  
[H. R. 5633]  
[Public, No. 543]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That for the purpose of further carrying into effect the provisions of the Foreign Service Buildings Act, 1926, as amended, there is authorized to be appropriated, in addition to the amount authorized by such Act, an amount not to exceed \$5,000,000, of which not more than \$1,000,000 shall be appropriated for any one year. Sums appropriated pursuant to this Act shall be available for the purposes and be subject to the

Foreign Service Buildings Act, 1926.  
Additional funds authorized for purposes of.  
44 Stat. 403.  
22 U. S. C. § 292.



*Proviso.*  
Use of articles of  
American manufac-  
ture.

conditions and limitations of such Act, as amended: *Provided*, That in the expenditure of appropriations for the construction of diplomatic and consular establishments, the Secretary of State shall, unless in his discretion the interests of the Government will not permit, purchase or contract for only articles of manufacture of the United States, notwithstanding that such articles, when delivered abroad, may cost more if such excess of cost be not unreasonable.

Approved, May 25, 1938.

[CHAPTER 276]

AN ACT

To amend section 12B of the Federal Reserve Act, as amended.

May 25, 1938  
[H. R. 7187]  
[Public, No. 544]

Federal Reserve Act,  
amendments.  
49 Stat. 695.  
12 U. S. C., Supp.  
III, § 264 (1)(7).

Federal Deposit In-  
surance Corporation,  
subrogation to rights  
of paid depositors  
against closed national  
or District bank.  
Other closed insured  
banks.

Right of Corpo-  
ration to receive div-  
idends.

*Provisos.*  
Waiver of stock-  
holders' liability in  
excess of amount un-  
paid on stock.

State banks, appli-  
cation of State law.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That paragraph (7) of subsection (1) of section 12B of the Federal Reserve Act, as amended (U. S. C., 1934 edition, Supp. II, title 12, sec. 264), be amended to read as follows:

"In the case of a closed national bank or District bank, the Corporation, upon the payment of any depositor as provided in paragraph (6) of this subsection, shall be subrogated to all rights of the depositor against the closed bank to the extent of such payment. In the case of any other closed insured bank, the Corporation shall not make any payment to any depositor until the right of the Corporation to be subrogated to the rights of such depositor on the same basis as provided in the case of a closed national bank under this section shall have been recognized either by express provision of State law, by allowance of claims by the authority having supervision of such bank, by assignment of claims by depositors, or by any other effective method. In the case of any closed insured bank, such subrogation shall include the right on the part of the Corporation to receive the same dividends from the proceeds of the assets of such closed bank and recoveries on account of stockholders' liability as would have been payable to the depositor on a claim for the insured deposit, but such depositor shall retain his claim for any uninsured portion of his deposit: *Provided*, That, with respect to any bank which closes after the date this paragraph as amended takes effect, the Corporation shall waive, in favor only of any person against whom stockholders' individual liability may be asserted, any claim on account of such liability in excess of the liability, if any, to the bank or its creditors, for the amount unpaid upon his stock in such bank; but any such waiver shall be effected in such manner and on such terms and conditions as will not increase recoveries or dividends on account of claims to which the Corporation is not subrogated: *Provided further*, That the rights of depositors and other creditors of any State bank shall be determined in accordance with the applicable provisions of State law."

Approved, May 25, 1938.

[CHAPTER 277]

AN ACT

Authorizing the temporary detail of United States employees, possessing special qualifications, to governments of American Republics and the Philippines, and for other purposes.

May 25, 1938  
[H. R. 10193]  
[Public, No. 545]

American Repub-  
lics, Philippine Is-  
lands, and Liberia.  
Temporary detail of  
United States em-  
ployees to, authorized.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the President of the United States be, and hereby is, authorized, whenever he finds that the public interest renders such a course advisable, upon agreement with the government of any other American Republic or the government of the Commonwealth of the Philippine Islands, or the

Government of Liberia, if such government is desirous of obtaining the services of a person having special scientific or other technical or professional qualifications, other than those persons covered by the Act of May 19, 1926 (44 Stat. 565), as amended by the Act of May 14, 1935 (49 Stat. 218), to detail for temporary service of not exceeding one year, under such government any such person in the employ of the Government of the United States whose services can be spared: *Provided*, That the President may, in extraordinary circumstances, extend the period of such detail for one or more additional periods of not to exceed six months each: *And provided further*, That while so detailed, such person shall be considered for the purpose of preserving his rights and privileges as such, an officer or employee of the Government of the United States and of the department or agency from which detailed and shall continue to receive therefrom compensation, and he shall receive additional compensation from the department or agency from which detailed not to exceed 50 per centum of the compensation he was receiving as an officer or employee of the United States at the time of detail, and shall receive from the United States reimbursement for travel expenses to and from the place of detail and monthly allowances determined by the President to be adequate for quarters and subsistence during the period of such detail. The additional compensation, travel expenses, and other allowances authorized by this Act to be paid to any such officer or employee shall be paid from any appropriations available for the payment of compensation and travel expenses of the officers and employees of the department or agency from which he is detailed: *Provided, however*, That if any of the governments to which details are authorized by this Act shall express the desire to reimburse this Government in whole or in part for the expenses of such details, the President is authorized, when he deems it in the public interest, to accept such reimbursement.

Approved, May 25, 1938.

44 Stat. 565; 49 Stat. 218.

34 U. S. C. § 441a; Supp. III, § 441a. Maximum period.

*Provisos.*  
Extensions.

Status, compensation, allowances.

Funds available for payment of additional compensation, etc.

Acceptance of reimbursement for expenses.

#### [CHAPTER 279]

#### AN ACT

For the inclusion of certain lands in the Kaniksu National Forest in the State of Washington, and for other purposes.

May 26, 1938  
[H. R. 8203]  
[Public, No. 546]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the provisions of the Act of March 20, 1922 (U. S. C., title 16, sec. 485), be, and the same are hereby, extended and made applicable to the following-described lands, and such of said lands as are now owned by the United States are hereby given, subject to all valid existing claims and entries under the various land laws of the United States, a national-forest status and shall hereafter be administered as parts of the adjacent Kaniksu National Forest and subject to all laws and regulations relating thereto:

Kaniksu National Forest, Wash.  
Lands added.  
42 Stat. 465.  
16 U. S. C. § 485.

#### WILLAMETTE MERIDIAN

Township 31 north, range 46 east: Section 6 and that part of section 7 north of the Clark Fork River.

Township 31 north, range 45 east: That portion of sections 1 and 12 north of the Clark Fork River.

Township 32 north, range 46 east: Section 31.

Township 32 north, range 45 east: Sections 5, 6, 7, 8, 15, 16, 17, 18, 19, 20, 21, 22, 23, 25, 26, 27, 28, 29, that part of 30, 32, 33, 34, 35, north of the Clark Fork River, and section 36.

Description.

Township 32 north, range 44 east: All that part north and east of the Clark Fork River.

Township 33 north, range 44 east: Sections 1, 2, 3, 4, east half, east half northwest quarter section 5, east half northeast quarter, northwest quarter northeast quarter, northeast quarter southeast quarter section 8, sections 9, 10, 11, 12, 13, 14, 15, 16, northeast quarter northeast quarter section 17, east half southeast quarter section 20, sections 21, 22, 23, 25, 26, 27, 28, east half, north half northwest quarter section 33, sections 34, 35, and 36.

Township 34 north, range 44 east: Section 4, that part of sections 5, 6, and 7 east of the Clark Fork River, sections 8, 9, 16, 17, that part of 18 and 19 east of the Clark Fork River, north half, north half south half section 20, sections 21 and 28, southeast quarter southeast quarter section 29, east half northeast quarter, southwest quarter northeast quarter, southeast quarter northwest quarter, east half southwest quarter, southeast quarter section 32, and section 33.

Township 35 north, range 43 east: Section 1, that part of sections 2, 11, and 12 lying north and east of the Clark Fork River.

Township 35 north, range 44 east: Sections 4, 5, 6, that part of 7 east of the Clark Fork River, sections 8, 9, 15, 16, 17, that part of 18, 19, and 20 east of the Clark Fork River, sections 21, 22, 25, 26, 27, 28, that part of 29 and 32 east of the Clark Fork River, sections 33, 34, 35, and 36.

Township 36 north, range 43 east: All east of the Clark Fork River.

Township 37 north, range 43 east: That part of sections 5, 8, 16, 17, 20, 21, 28, 29, and 33 east of the Clark Fork River.

Township 38 north, range 43 east: Those parts of the west half section 4, sections 5 and 8, west half section 17, sections 18 and 19, west half section 20, sections 29 and 32 lying east of the Clark Fork River.

Township 39 north, range 43 east: That part of section 21 lying east of the Clark Fork River, west half section 22, northwest quarter section 27, that part of section 28 and northwest quarter section 33 lying east of the Clark Fork River.

Approved, May 26, 1938.

#### [CHAPTER 280]

#### AN ACT

To extend the times for commencing and completing the construction of a bridge across the Ohio River between Rockport, Indiana, and Owensboro, Kentucky.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the times for commencing and completing the construction of a bridge across the Ohio River between Rockport, Indiana, and Owensboro, Kentucky, authorized to be built by the Spencer County Bridge Commission by an Act of Congress approved June 18, 1934, and extended one and three years, respectively, from June 18, 1936, by an Act of Congress approved April 10, 1936, and again extended one and three years, respectively, from June 18, 1937, by an Act of Congress approved June 2, 1937, is again extended one and three years, respectively, from June 18, 1938.

SEC. 2. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, May 26, 1938.

May 26, 1938  
[H. R. 9688]  
[Public, No. 547]

Ohio River.  
Time extended for  
bridging, Rockport,  
Ind., to Owensboro,  
Ky.

48 Stat. 1016; 49  
Stat. 36, 1199; 50 Stat.  
243.

Amendment.

## [CHAPTER 281]

## AN ACT

Granting the consent of Congress to construct, maintain, and operate a toll bridge, known as the Smith Point Bridge, across navigable waters at or near Mastic, southerly to Fire Island, Suffolk County, New York.

May 26, 1938  
[H. R. 10117]  
[Public, No. 548]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the consent of Congress is hereby granted to the county of Suffolk, State of New York, to construct, maintain, and operate a bridge and approaches thereto across navigable waters in the county of Suffolk, State of New York, separating the strip of land known as Fire Island from the southerly side of Long Island at a point near Mastic, known as Smith Point southerly to the said strip of land known as Fire Island, in said county of Suffolk, State of New York, in accordance with the provisions of the Act entitled "An Act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this Act.

Smith Point Bridge.  
Suffolk County,  
N. Y., may construct,  
near Mastic.

34 Stat. 84.  
33 U. S. C. §§ 491-498.

SEC. 2. If tolls are charged for the use of such bridge, the rates of toll shall be so adjusted as to provide a fund sufficient to pay the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of the bridge and its approaches, including reasonable interest and financing cost, as soon as possible under reasonable charges, but within a period of not to exceed forty years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls. An accurate record of the costs of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected, shall be kept and shall be available for the information of all persons interested.

Application of tolls  
to maintenance, sink-  
ing fund, etc.

Maintenance as free  
bridge after amortiz-  
ing costs.  
Record of expendi-  
tures and receipts.

SEC. 3. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Amendment.

Approved, May 26, 1938.

## [CHAPTER 282]

## AN ACT

To extend the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oregon.

May 26, 1938  
[H. R. 10351]  
[Public, No. 549]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the times for commencing and completing the construction of a bridge across the Columbia River at Astoria, Clatsop County, Oregon, authorized to be built by the Oregon-Washington Bridge Board of Trustees by an Act of Congress approved June 13, 1934, as heretofore extended by Acts of Congress approved August 30, 1935, January 27, 1936, and August 5, 1937, are further extended one and three years, respectively, from June 13, 1938.

Columbia River.  
Time extended for  
bridging, at Astoria,  
Oreg.

48 Stat. 940; 49 Stat.  
1066, 1104; 50 Stat. 563.

SEC. 2. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Amendment.

Approved, May 26, 1938.

## [CHAPTER 283]

## AN ACT

To amend Public Law Numbered 692, Seventy-fourth Congress, second session.

May 26, 1938  
[H. R. 8148]  
[Public, No. 550]

Robinson-Patman  
Antidiscrimination  
Act.  
Schools, churches,  
etc., excepted from  
provisions of.  
49 Stat. 1526.  
15 U. S. C., Supp.  
III, §§ 13-13b, 21a.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That nothing in the Act approved June 19, 1936 (Public, Numbered 692, Seventy-fourth Congress, second session), known as the Robinson-Patman Antidiscrimination Act, shall apply to purchases of their supplies for their own use by schools, colleges, universities, public libraries, churches, hospitals, and charitable institutions not operated for profit.

Approved, May 26, 1938.

## [CHAPTER 284]

## AN ACT

Granting the consent of Congress to construct, maintain, and operate toll bridges, known as the Long Island Loop Bridges, across navigable waters at or near East Marion to Shelter Island, and Shelter Island to North Haven, Suffolk County, New York.

May 26, 1938  
[H. R. 10118]  
[Public, No. 551]

Long Island Loop  
Bridges.  
Suffolk County,  
N. Y., may construct,  
etc., East Marion to  
Shelter Island and  
Shelter Island to  
North Haven.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the consent of Congress is hereby granted to the county of Suffolk, State of New York, to construct, maintain, and operate a bridge and approaches thereto across navigable waters in the county of Suffolk, State of New York, lying between the northerly side of Shelter Island and the southerly side of the north fluke of Long Island, at a point near East Marion, known as Cleaves Point, southerly to Hay Beach Point, Shelter Island, and a bridge and approaches thereto across navigable waters in the county of Suffolk, State of New York, separating the southerly portion of Shelter Island from the northerly portion of North Haven at a point from the southerly side of Shelter Island, known as South Ferry southerly to North Haven, in accordance with the provisions of the Act entitled "An Act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this Act.

34 Stat. 84.  
33 U. S. C. §§ 491-  
498.

Application of tolls  
to maintenance, sink-  
ing fund, etc.

Maintenance as free  
bridge after amortiz-  
ing costs.

Record of expendi-  
tures and receipts.

Amendment.

SEC. 2. If tolls are charged for the use of such bridges, the rates of toll shall be so adjusted as to provide a fund sufficient to pay the reasonable cost of maintaining, repairing, and operating the bridges and their approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of the bridges and their approaches, including reasonable interest and financing cost, as soon as possible under reasonable charges, but within a period of not to exceed forty years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridges shall thereafter be maintained and operated free of tolls. An accurate record of the costs of the bridges and their approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

SEC. 3. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, May 26, 1938.

## [CHAPTER 285]

## AN ACT

To amend the Second Liberty Bond Act, as amended.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the first paragraph of section 1 of the Second Liberty Bond Act, as amended (U. S. C., title 31, sec. 752), is amended by striking out the following: “: *Provided*, That the face amount of bonds issued under this section and section 22 of this Act shall not exceed in the aggregate \$25,000,000,000 outstanding at any one time”.

SEC. 2. Section 21 of the Second Liberty Bond Act, as amended (U. S. C., title 31, sec. 757b), is amended to read as follows:

“SEC. 21. The face amount of bonds, certificates of indebtedness, Treasury bills, and notes issued under the authority of this Act, and certificates of indebtedness issued under the authority of section 6 of the First Liberty Bond Act, shall not exceed in the aggregate \$45,000,000,000 outstanding at any one time: *Provided*, That the face amount of bonds issued under the authority of this Act shall not exceed in the aggregate \$30,000,000,000 outstanding at any one time.”

Approved, May 26, 1938.

May 26, 1938  
[H. R. 10535]  
[Public, No. 552]

Second Liberty Bond Act, amendments.  
40 Stat. 288; 49 Stat. 20.  
31 U. S. C. § 752; Supp. III, § 752.  
Limitation on face amount of bonds removed.  
49 Stat. 21.  
31 U. S. C., Supp. III, § 757b.  
Bonds, certificates of indebtedness, etc.  
40 Stat. 36.  
31 U. S. C. § 755.  
Aggregate outstanding amount.  
*Proviso.*  
Face amount of bonds issued under this Act.

## [CHAPTER 288]

## AN ACT

To equalize certain allowances for quarters and subsistence of enlisted men of the Coast Guard with those of the Army, Navy, and Marine Corps.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act approved June 20, 1936 (49 Stat. 1545; U. S. C., Supp. III, title 34, sec. 914), is hereby amended, effective as of June 20, 1936, by inserting in line 15 thereof, after the word “Navy”, the words “Coast Guard”, and by inserting in line 17 thereof, after the words “Marine Corps Band”, the words “Coast Guard Academy Band”.

Approved, May 26, 1938.

May 26, 1938  
[H. R. 10190]  
[Public, No. 553]

Coast Guard, enlisted men.  
49 Stat. 1545.  
34 U. S. C., Supp. III, § 914.  
Allowances for quarters and subsistence.

## [CHAPTER 289]

## AN ACT

To provide revenue, equalize taxation, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act, divided into titles and sections according to the following Table of Contents, may be cited as the “Revenue Act of 1938”:

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## TITLE I—INCOME TAX

## SUBTITLE A—INTRODUCTORY PROVISIONS

- Sec. 1. Application of title.  
Sec. 2. Cross references.  
Sec. 3. Classification of provisions.  
Sec. 4. Special classes of taxpayers.

May 28, 1938  
[H. R. 9682]  
[Public, No. 554]

Revenue Act of 1938.

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p. 452.

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- Sec. 12. Surtax on individuals.
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Computation of net  
income, p. 457.

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- Sec. 23. Deductions from gross income.
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- Sec. 25. Credits of individual against net income.
- Sec. 26. Credits of corporations.
- Sec. 27. Corporation dividends paid credit.
- Sec. 28. Consent dividends credit.

Credits against tax,  
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## SUPPLEMENT D—RETURNS AND PAYMENT OF TAX

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Foreign corpora-  
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Deficiencies, p. 534.

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Exchanges and dis-  
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#### TITLE IA—PERSONAL HOLDING COMPANIES

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- Sec. 402. Definition of personal holding company.

- Sec. 403. Personal holding company income.
- Sec. 404. Stock ownership.
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- Sec. 501. Estate tax returns.
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- Sec. 707. Tax on matches.
- Sec. 708. Tax on telegraph, telephone, radio, and cable facilities.
- Sec. 709. Tax on tractors.
- Sec. 710. Tax on distilled spirits.
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- Sec. 712. Tax on admissions to theaters.
- Sec. 713. Exemption of certain cooperative or nonprofit corporations or associations from electrical energy tax.

## TITLE V—MISCELLANEOUS PROVISIONS

Title V—Miscellaneous Provisions, p. 573.

- Sec. 801. Closing agreements as to future tax liability.
- Sec. 802. Approval of closing agreements.
- Sec. 803. Returns as to formation, etc., of foreign corporations.
- Sec. 804. Information returns as to foreign corporations.
- Sec. 805. Interest on unpaid assessments.
- Sec. 806. Administration of oaths or affirmations.
- Sec. 807. Basis of property acquired in connection with reorganizations.
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- Sec. 809. Overpayments found by Board of Tax Appeals.
- Sec. 810. Credits against Social Security tax for 1936.
- Sec. 811. Travel allowances in Hawaii.
- Sec. 812. Retroactive exclusion of gain from purchase of personal property within the United States and sale within possession.
- Sec. 813. Remission of interest and penalties on taxes imposed by the Revenue Acts of 1917 and 1918 upon citizens in a possession and certain domestic corporations.
- Sec. 814. Waivers in transferee cases under prior revenue Acts.
- Sec. 815. Compromise before suit.
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- Sec. 817. Income from obligations and mortgages issued by joint-stock land banks.
- Sec. 818. Taxes of insolvent banks.
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- Sec. 820. Mitigation of effect of limitation and other provisions in income tax cases.
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- Sec. 901. Definitions.
- Sec. 902. Separability clause.
- Sec. 903. Effective date of Act.

Title I—Income  
Tax.

# TITLE I—INCOME TAX

## SUBTITLE A—INTRODUCTORY PROVISIONS

Introductory provi-  
sions.

Application of title.

### SEC. 1. APPLICATION OF TITLE.

To 1938, and there-  
after.  
Prior years not af-  
fected.

The provisions of this title shall apply only to taxable years beginning after December 31, 1937. Income, war-profits, and excess-profits taxes for taxable years beginning prior to January 1, 1938, shall not be affected by the provisions of this title, but shall remain subject to the applicable provisions of prior revenue Acts, except as such provisions are modified by Title V of this Act or by legislation enacted subsequent to this Act.

Exceptions.  
Post, p. 573.

Cross references.

### SEC. 2. CROSS REFERENCES.

Effect.

The cross references in this title to other portions of the title, where the word "see" is used, are made only for convenience, and shall be given no legal effect.

Classification of pro-  
visions.

### SEC. 3. CLASSIFICATION OF PROVISIONS.

Designations.

The provisions of this title are herein classified and designated as—  
Subtitle A—Introductory provisions,  
Subtitle B—General provisions, divided into Parts and sections,  
Subtitle C—Supplemental provisions, divided into Supplements and sections.

Special classes of  
taxpayers.

### SEC. 4. SPECIAL CLASSES OF TAXPAYERS.

Application of gen-  
eral provisions and of  
supplements.

The application of the General Provisions and of Supplements A to D, inclusive, to each of the following special classes of taxpayers, shall be subject to the exceptions and additional provisions found in the Supplement applicable to such class, as follows:

Estates and trusts,  
etc., p. 517.

(a) Estates and trusts and the beneficiaries thereof,—Supplement E.

Partnerships, p. 521.

(b) Members of partnerships,—Supplement F.

Insurance compa-  
nies, p. 522.

(c) Insurance companies,—Supplement G.

Nonresident alien  
individuals, p. 527.

(d) Nonresident alien individuals,—Supplement H.

Foreign corpora-  
tions, p. 530.

(e) Foreign corporations,—Supplement I.

Citizens of U. S.  
possessions, p. 532.

(f) Individual citizens of any possession of the United States who are not otherwise citizens of the United States and who are not residents of the United States,—Supplement J.

Citizens, etc., deriv-  
ing large portion of  
income from U. S. pos-  
sessions, p. 532.

(g) Individual citizens of the United States or domestic corporations, satisfying the conditions of section 251 by reason of deriving a large portion of their gross income from sources within a possession of the United States,—Supplement J.

China Trade Act  
corporations, p. 533.

(h) China Trade Act corporations,—Supplement K.

Foreign personal  
holding companies,  
etc., p. 545.

(i) Foreign personal holding companies and their shareholders,—Supplement P.

Mutual investment  
companies, p. 552.

(j) Mutual investment companies,—Supplement Q.

General provisions.

## SUBTITLE B—GENERAL PROVISIONS

Rates of tax.

### Part I—Rates of Tax

Normal tax on indi-  
viduals.  
Rates upon net in-  
come.

### SEC. 11. NORMAL TAX ON INDIVIDUALS.

There shall be levied, collected, and paid for each taxable year upon the net income of every individual a normal tax of 4 per centum of the amount of the net income in excess of the credits against net income provided in section 25.

Post, p. 466.

## SEC. 12. SURTAX ON INDIVIDUALS.

(a) DEFINITION OF "SURTAX NET INCOME".—As used in this section the term "surtax net income" means the amount of the net income in excess of the credits against net income provided in section 25 (b).

(b) RATES OF SURTAX.—There shall be levied, collected, and paid for each taxable year upon the surtax net income of every individual a surtax as follows:

Upon a surtax net income of \$4,000 there shall be no surtax; upon surtax net incomes in excess of \$4,000 and not in excess of \$6,000, 4 per centum of such excess.

\$80 upon surtax net incomes of \$6,000; and upon surtax net incomes in excess of \$6,000 and not in excess of \$8,000, 5 per centum in addition of such excess.

\$180 upon surtax net incomes of \$8,000; and upon surtax net incomes in excess of \$8,000 and not in excess of \$10,000, 6 per centum in addition of such excess.

\$300 upon surtax net incomes of \$10,000; and upon surtax net incomes in excess of \$10,000 and not in excess of \$12,000, 7 per centum in addition of such excess.

\$440 upon surtax net incomes of \$12,000; and upon surtax net incomes in excess of \$12,000 and not in excess of \$14,000, 8 per centum in addition of such excess.

\$600 upon surtax net incomes of \$14,000; and upon surtax net incomes in excess of \$14,000 and not in excess of \$16,000, 9 per centum in addition of such excess.

\$780 upon surtax net incomes of \$16,000; and upon surtax net incomes in excess of \$16,000 and not in excess of \$18,000, 11 per centum in addition of such excess.

\$1,000 upon surtax net incomes of \$18,000; and upon surtax net incomes in excess of \$18,000 and not in excess of \$20,000, 13 per centum in addition of such excess.

\$1,260 upon surtax net incomes of \$20,000; and upon surtax net incomes in excess of \$20,000 and not in excess of \$22,000, 15 per centum in addition of such excess.

\$1,560 upon surtax net incomes of \$22,000; and upon surtax net incomes in excess of \$22,000 and not in excess of \$26,000, 17 per centum in addition of such excess.

\$2,240 upon surtax net incomes of \$26,000; and upon surtax net incomes in excess of \$26,000 and not in excess of \$32,000, 19 per centum in addition of such excess.

\$3,380 upon surtax net incomes of \$32,000; and upon surtax net incomes in excess of \$32,000 and not in excess of \$38,000, 21 per centum in addition of such excess.

\$4,640 upon surtax net incomes of \$38,000; and upon surtax net incomes in excess of \$38,000 and not in excess of \$44,000, 24 per centum in addition of such excess.

\$6,080 upon surtax net incomes of \$44,000; and upon surtax net incomes in excess of \$44,000 and not in excess of \$50,000, 27 per centum in addition of such excess.

\$7,700 upon surtax net incomes of \$50,000; and upon surtax net incomes in excess of \$50,000 and not in excess of \$56,000, 31 per centum in addition of such excess.

\$9,560 upon surtax net incomes of \$56,000; and upon surtax net incomes in excess of \$56,000 and not in excess of \$62,000, 35 per centum in addition of such excess.

\$11,660 upon surtax net incomes of \$62,000; and upon surtax net incomes in excess of \$62,000 and not in excess of \$68,000, 39 per centum in addition of such excess.

Surtax on individuals.

"Surtax net income" defined.  
*Post*, p. 467.

Rates.

Surtax on individuals—Continued.  
Rates—Continued.

\$14,000 upon surtax net incomes of \$68,000; and upon surtax net incomes in excess of \$68,000 and not in excess of \$74,000, 43 per centum in addition of such excess.

\$16,580 upon surtax net incomes of \$74,000; and upon surtax net incomes in excess of \$74,000 and not in excess of \$80,000, 47 per centum in addition of such excess.

\$19,400 upon surtax net incomes of \$80,000; and upon surtax net incomes in excess of \$80,000 and not in excess of \$90,000, 51 per centum in addition of such excess.

\$24,500 upon surtax net incomes of \$90,000; and upon surtax net incomes in excess of \$90,000 and not in excess of \$100,000, 55 per centum in addition of such excess.

\$30,000 upon surtax net incomes of \$100,000; and upon surtax net incomes in excess of \$100,000 and not in excess of \$150,000, 58 per centum in addition of such excess.

\$59,000 upon surtax net incomes of \$150,000; and upon surtax net incomes in excess of \$150,000 and not in excess of \$200,000, 60 per centum in addition of such excess.

\$89,000 upon surtax net incomes of \$200,000; and upon surtax net incomes in excess of \$200,000 and not in excess of \$250,000, 62 per centum in addition of such excess.

\$120,000 upon surtax net incomes of \$250,000; and upon surtax net incomes in excess of \$250,000 and not in excess of \$300,000, 64 per centum in addition of such excess.

\$152,000 upon surtax net incomes of \$300,000; and upon surtax net incomes in excess of \$300,000 and not in excess of \$400,000, 66 per centum in addition of such excess.

\$218,000 upon surtax net incomes of \$400,000; and upon surtax net incomes in excess of \$400,000 and not in excess of \$500,000, 68 per centum in addition of such excess.

\$286,000 upon surtax net incomes of \$500,000; and upon surtax net incomes in excess of \$500,000 and not in excess of \$750,000, 70 per centum in addition of such excess.

\$461,000 upon surtax net incomes of \$750,000; and upon surtax net incomes in excess of \$750,000 and not in excess of \$1,000,000, 72 per centum in addition of such excess.

\$641,000 upon surtax net incomes of \$1,000,000; and upon surtax net incomes in excess of \$1,000,000 and not in excess of \$2,000,000, 73 per centum in addition of such excess.

\$1,371,000 upon surtax net incomes of \$2,000,000; and upon surtax net incomes in excess of \$2,000,000 and not in excess of \$5,000,000, 74 per centum in addition of such excess.

\$3,591,000 upon surtax net incomes of \$5,000,000; and upon surtax net incomes in excess of \$5,000,000, 75 per centum in addition of such excess.

Capital gains or losses.

*Post*, p. 501.

Sale of oil or gas properties.

*Post*, p. 484.

Personal holding companies.

*Post*, p. 557.

Avoidance by incorporation.

*Post*, p. 483.

(c) TAX IN CASE OF CAPITAL GAINS OR LOSSES.—For rate and computation of alternative tax in lieu of normal tax and surtax in the case of a capital gain or loss from the sale or exchange of capital assets held for more than eighteen months, see section 117 (c).

(d) SALE OF OIL OR GAS PROPERTIES.—For limitation of surtax attributable to the sale of oil or gas properties, see section 105.

(e) TAX ON PERSONAL HOLDING COMPANIES.—For surtax on personal holding companies, see Title IA.

(f) AVOIDANCE OF SURTAXES BY INCORPORATION.—For surtax on corporations which accumulate surplus to avoid surtax on shareholders, see section 102.

## SEC. 13. TAX ON CORPORATIONS IN GENERAL.

(a) **ADJUSTED NET INCOME.**—For the purposes of this title the term "adjusted net income" means the net income minus the credit provided in section 26 (a), relating to interest on certain obligations of the United States and Government corporations.

Corporations in general.

"Adjusted net income" defined.  
*Post*, p. 467.

(b) **IMPOSITION OF TAX.**—There shall be levied, collected, and paid for each taxable year upon the net income of every corporation the net income of which is more than \$25,000 (except a corporation subject to the tax imposed by section 14, section 231 (a), Supplement G, or Supplement Q) a tax computed under subsection (c) of this section or a tax computed under subsection (d) of this section, whichever tax is the lesser.

Imposition of tax.

*Post*, pp. 456, 530, 522, 552.

(c) **GENERAL RULE.**—The tax computed under this subsection shall be as follows:

General rule.

(1) A tentative tax shall first be computed equal to 19 per centum of the adjusted net income.

Tentative tax, computation.

(2) The tax shall be the tentative tax reduced by the sum of—  
(A) 16½ per centum of the credit for dividends received provided in section 26 (b); and

Credits.

(B) 2½ per centum of the dividends paid credit provided in section 27, but not to exceed 2½ per centum of the adjusted net income.

(d) **ALTERNATIVE TAX (CORPORATIONS WITH NET INCOME SLIGHTLY MORE THAN \$25,000).**—

Alternative tax.  
Corporations with net income slightly more than \$25,000.  
Computation.  
*Post*, p. 467.

(1) If no portion of the gross income consists of interest allowed as a credit by section 26 (a) (relating to interest on certain obligations of the United States and Government corporations), or of dividends of the class with respect to which credit is allowed by section 26 (b), then the tax computed under this subsection shall be equal to \$3,525, plus 32 per centum of the amount of the net income in excess of \$25,000.

(2) If any portion of the gross income consists of such interest or dividends, then the tax computed under this subsection shall be as follows:

If gross income consists of interest and dividends.  
Computation.

(A) The net income shall be divided into two divisions, the first division consisting of \$25,000, and the second division consisting of the remainder of the net income.

(B) To the first division shall be allocated, until an aggregate of \$25,000 has been so allocated: First, the portion of the gross income consisting of such interest; second, the portion of the gross income consisting of such dividends; and third, an amount equal to the excess, if any, of \$25,000 over the amounts already allocated to the first division.

(C) To the second division shall be allocated, until there has been so allocated an aggregate equal to the excess of the net income over \$25,000: First, the portion of the gross income consisting of such interest which is not already allocated to the first division; second, the portion of the gross income consisting of such dividends which is not already allocated to the first division; and third, an amount equal to the excess, if any, of the net income over the sum of \$25,000 plus the amounts already allocated to the second division.

(D) The tax shall be equal to the sum of the following:

(i) A tax on the \$25,000 allocated to the first division, computed under section 14 (c), on the basis of the allocation made to the first division and as if the amount so allocated constituted the entire net income of the corporation.

(ii) 12 per centum of the dividends received allocated as such to the second division.

(iii) 32 per centum of the remainder of the amount allocated to the second division, except interest allowed as a credit under section 26 (a).

Corporations in bankruptcy and receivership.

(e) **CORPORATIONS IN BANKRUPTCY AND RECEIVERSHIP.**—If a domestic corporation is for any portion of the taxable year in bankruptcy under the laws of the United States, or insolvent and in receivership in any court of the United States or of any State, Territory, or the District of Columbia, then, when the tax is computed under subsection (c), the tentative tax shall be reduced by  $2\frac{1}{2}$  per centum of the adjusted net income, instead of by  $2\frac{1}{2}$  per centum of the dividends paid credit.

Joint-stock land banks.  
39 Stat. 360.  
12 U. S. C. ch. 7; Supp. III, ch. 7.

(f) **JOINT-STOCK LAND BANKS.**—In the case of a joint-stock land bank organized under the Federal Farm Loan Act, as amended, when the tax is computed under subsection (c), the tentative tax shall be reduced by  $2\frac{1}{2}$  per centum of the adjusted net income, instead of by  $2\frac{1}{2}$  per centum of the dividends paid credit.

Rental housing corporations.  
48 Stat. 1252.  
12 U. S. C. § 1713; Supp. III, § 1713.

(g) **RENTAL HOUSING CORPORATIONS.**—In the case of a corporation which at the close of the taxable year is regulated or restricted by the Federal Housing Administrator under section 207 (b) (2) of the National Housing Act, as amended, when the tax is computed under subsection (c), the tentative tax shall be reduced by  $2\frac{1}{2}$  per centum of the adjusted net income, instead of by  $2\frac{1}{2}$  per centum of the dividends paid credit; but only if such Administrator certifies to the Commissioner the fact that such regulation or restriction existed at the close of the taxable year. It shall be the duty of such Administrator promptly to make such certification to the Commissioner after the close of the taxable year of each corporation which is so regulated or restricted by him.

Exempt corporations, p. 480.

(h) **EXEMPT CORPORATIONS.**—For corporations exempt from taxation under this title, see section 101.

Tax on personal holding companies, p. 557.

(i) **TAX ON PERSONAL HOLDING COMPANIES.**—For surtax on personal holding companies, see Title IA.

Improper accumulation of surplus, p. 483.

(j) **IMPROPER ACCUMULATION OF SURPLUS.**—For surtax on corporations which accumulate surplus to avoid surtax on shareholders, see section 102.

Tax on special classes of corporations.  
"Special class net income" defined.

#### SEC. 14. TAX ON SPECIAL CLASSES OF CORPORATIONS.

Post, p. 467.

Imposition of tax.

(a) **SPECIAL CLASS NET INCOME.**—For the purposes of this title the term "special class net income" means the adjusted net income minus the credit for dividends received provided in section 26 (b).

(b) There shall be levied, collected, and paid for each taxable year upon the special class net income of the following corporations (in lieu of the tax imposed by section 13) the tax hereinafter in this section specified.

Corporations with net incomes of not more than \$25,000.

(c) **CORPORATIONS WITH NET INCOMES OF NOT MORE THAN \$25,000.**—If the net income of the corporation is not more than \$25,000, and if the corporation does not come within one of the classes specified in subsection (d), (e), (f), or (g) of this section, the tax shall be as follows:

Tax rates.

Upon special class net incomes not in excess of \$5,000,  $12\frac{1}{2}$  per centum.

\$625 upon special class net incomes of \$5,000, and upon special class net incomes in excess of \$5,000 and not in excess of \$20,000, 14 per centum in addition of such excess.

\$2,725 upon special class net incomes of \$20,000, and upon special class net incomes in excess of \$20,000, 16 per centum in addition of such excess.

(d) **SPECIAL CLASSES OF CORPORATIONS.**—In the case of the following corporations the tax shall be an amount equal to 16½ per centum of the special class net income, regardless of the amount thereof:

(1) Banks, as defined in section 104.

(2) Corporations organized under the China Trade Act, 1922.

(3) Corporations which, by reason of deriving a large portion of their gross income from sources within a possession of the United States, are entitled to the benefits of section 251.

(e) **FOREIGN CORPORATIONS.**—

(1) In the case of a foreign corporation engaged in trade or business within the United States or having an office or place of business therein, the tax shall be an amount equal to 19 per centum of the special class net income, regardless of the amount thereof.

(2) In the case of a foreign corporation not engaged in trade or business within the United States and not having an office or place of business therein, the tax shall be as provided in section 231 (a).

(f) **INSURANCE COMPANIES.**—In the case of insurance companies, the tax shall be as provided in Supplement G.

(g) **MUTUAL INVESTMENT COMPANIES.**—In the case of mutual investment companies, as defined in Supplement Q, the tax shall be as provided in such Supplement.

(h) **EXEMPT CORPORATIONS.**—For corporations exempt from taxation under this title, see section 101.

(i) **TAX ON PERSONAL HOLDING COMPANIES.**—For surtax on personal holding companies, see Title IA.

(j) **IMPROPER ACCUMULATION OF SURPLUS.**—For surtax on corporations which accumulate surplus to avoid surtax on shareholders, see section 102.

## SEC. 15. CORPORATE TAXES EFFECTIVE FOR TWO TAXABLE YEARS.

The taxes imposed by section 13, section 14 (except subsection (e) (2)), Supplement G, or Supplement Q, of this Act, or by section 13, section 14, or Supplement G of the Revenue Act of 1936, shall not apply to any taxable year beginning after December 31, 1939.

## Part II—Computation of Net Income

### SEC. 21. NET INCOME.

“Net income” means the gross income computed under section 22, less the deductions allowed by section 23. For definition of “adjusted net income”, see section 13 (a); for definition of “special class net income”, see section 14 (a).

### SEC. 22. GROSS INCOME.

(a) **GENERAL DEFINITION.**—“Gross income” includes gains, profits, and income derived from salaries, wages, or compensation for personal service, of whatever kind and in whatever form paid, or from professions, vocations, trades, businesses, commerce, or sales, or dealings in property, whether real or personal, growing out of the ownership or use of or interest in such property; also from interest, rent, dividends, securities, or the transaction of any business carried on for gain or profit, or gains or profits and income derived from any source whatever. In the case of Presidents of the United States and judges of courts of the United States taking office after June 6, 1932, the compensation received as such shall be included in gross income; and all Acts fixing the compensation of such Presidents and judges are hereby amended accordingly.

Special classes of corporations.

Banks.  
Post, p. 484.  
China Trade Act corporations.  
Deriving income from United States possession.  
Post, p. 532.

Foreign corporations.  
Engaged in business, etc., within United States.

Not so engaged, etc.

Post, p. 530.

Insurance companies.  
Post, p. 522.  
Mutual investment companies.  
Post, p. 552.

Exempt corporations.  
Post, p. 480.

Personal holding companies.  
Post, p. 557.

Improper accumulation of surplus.  
Post, p. 483.

Corporate taxes effective for two taxable years.  
Ante, pp. 455, 456; post, pp. 522, 552.

49 Stat. 1655, 1710.  
26 U. S. C., Supp. III, §§ 13, 13a, 201-207.

Computation of net income.

Net income.

Definitions.  
Post, p. 460; ante, pp. 455-456.

Gross income.

General definition.

Compensation of Presidents, United States judges.



Exclusions from gross income.

(b) EXCLUSIONS FROM GROSS INCOME.—The following items shall not be included in gross income and shall be exempt from taxation under this title:

Life insurance.

(1) LIFE INSURANCE.—Amounts received under a life insurance contract paid by reason of the death of the insured, whether in a single sum or otherwise (but if such amounts are held by the insurer under an agreement to pay interest thereon, the interest payments shall be included in gross income);

Annuities, etc.

(2) ANNUITIES, ETC.—Amounts received (other than amounts paid by reason of the death of the insured and interest payments on such amounts and other than amounts received as annuities) under a life insurance or endowment contract, but if such amounts (when added to amounts received before the taxable year under such contract) exceed the aggregate premiums or consideration paid (whether or not paid during the taxable year) then the excess shall be included in gross income. Amounts received as an annuity under an annuity or endowment contract shall be included in gross income; except that there shall be excluded from gross income the excess of the amount received in the taxable year over an amount equal to 3 per centum of the aggregate premiums or consideration paid for such annuity (whether or not paid during such year), until the aggregate amount excluded from gross income under this title or prior income tax laws in respect of such annuity equals the aggregate premiums or consideration paid for such annuity. In the case of a transfer for a valuable consideration, by assignment or otherwise, of a life insurance, endowment, or annuity contract, or any interest therein, only the actual value of such consideration and the amount of the premiums and other sums subsequently paid by the transferee shall be exempt from taxation under paragraph (1) or this paragraph;

Portion to be included in gross income.

Transfers for value.

Gifts, bequests, and devises.

(3) GIFTS, BEQUESTS, AND DEVISES.—The value of property acquired by gift, bequest, devise, or inheritance (but the income from such property shall be included in gross income);

Tax-free interest. State, etc., bonds.

Federal instrumentalities.

Federal obligations.

Statement required in return.

(4) TAX-FREE INTEREST.—Interest upon (A) the obligations of a State, Territory, or any political subdivision thereof, or the District of Columbia; or (B) obligations of a corporation organized under Act of Congress, if such corporation is an instrumentality of the United States; or (C) the obligations of the United States or its possessions. Every person owning any of the obligations enumerated in clause (A), (B), or (C) shall, in the return required by this title, submit a statement showing the number and amount of such obligations owned by him and the income received therefrom, in such form and with such information as the Commissioner may require. In the case of obligations of the United States issued after September 1, 1917 (other than postal savings certificates of deposit) and in the case of obligations of a corporation organized under Act of Congress, the interest shall be exempt only if and to the extent provided in the respective Acts authorizing the issue thereof as amended and supplemented, and shall be excluded from gross income only if and to the extent it is wholly exempt from the taxes imposed by this title;

Limitation in the case of certain obligations.

Compensation for personal injuries or sickness.

(5) COMPENSATION FOR INJURIES OR SICKNESS.—Amounts received, through accident or health insurance or under workmen's compensation acts, as compensation for personal injuries or sickness, plus the amount of any damages received whether by suit or agreement on account of such injuries or sickness;

(6) **MINISTERS.**—The rental value of a dwelling house and appurtenances thereof furnished to a minister of the gospel as part of his compensation;

Ministers.

(7) **INCOME EXEMPT UNDER TREATY.**—Income of any kind, to the extent required by any treaty obligation of the United States;

Income exempt under treaty.

(8) **MISCELLANEOUS ITEMS.**—The following items, to the extent provided in section 116:

Miscellaneous items.  
*Post*, p. 498.

Earned income from sources without the United States;

Salaries of certain Territorial employees;

The income of foreign governments;

Income of States, municipalities, and other political subdivisions;

Receipts of shipowners' mutual protection and indemnity associations;

Dividends from China Trade Act corporations;

Compensation of employees of foreign governments.

(c) **INVENTORIES.**—Whenever in the opinion of the Commissioner the use of inventories is necessary in order clearly to determine the income of any taxpayer, inventories shall be taken by such taxpayer upon such basis as the Commissioner, with the approval of the Secretary, may prescribe as conforming as nearly as may be to the best accounting practice in the trade or business and as most clearly reflecting the income.

Inventories, when used to determine income.

(d) **INVENTORIES IN CERTAIN INDUSTRIES.**—

Inventories in certain industries.  
Producers, etc., of certain non-ferrous metals.

(1) **PRODUCERS AND PROCESSORS OF CERTAIN NON-FERROUS METALS.**—A taxpayer shall be entitled to elect the method of taking inventories provided in paragraph (2) if his principal business is—

(A) Smelting non-ferrous ores or concentrates, or refining non-ferrous metals, or both; or

(B) Producing brass, copper products, or brass products, or any one or more of them, not further advanced than rods, sheets, tubes, bars, plates, or strips.

(2) **INVENTORIES OF RAW MATERIALS.**—A taxpayer entitled to elect, and who has so elected, shall, in taking his inventory as of the close of any taxable year beginning after December 31, 1938, of raw materials which are—

Inventories of raw materials.

(A) used in a business described in paragraph (1); and

(B) not yet included in goods in process or finished goods; and

(C) so intermingled that they cannot be identified with specific invoices;

treat such raw materials remaining on hand as being: First, those included in the inventory as of the beginning of the taxable year (in the order of acquisition) to the extent thereof, and second, those acquired in the taxable year, in the order of acquisition.

(3) **TANNERS.**—A taxpayer whose principal business is tanning hides or skins, or both, shall be entitled to elect (with respect to any taxable year beginning after December 31, 1938) the method provided in paragraph (2) as to the raw materials (including those included in goods in process and in finished goods) in the business of tanning hides, or skins, or both, if so intermingled that they cannot be identified with specific invoices.

Tanners.

(4) **INVENTORIES AT COST.**—In the case of the application of the provisions of paragraph (2) or (3) all inventories of such materials shall be taken at cost, including the inventory as of the close of the preceding taxable year.

Inventories at cost.

(5) **ELECTION OF METHOD.**—The method provided in paragraph (2) or (3) shall not be applied unless the taxpayer, at or before

Election of method.

Regulations as to  
change.

Change to different  
method.

Distributions by  
corporations.  
*Post*, p. 496.  
Determination of  
gain or loss.  
*Post*, p. 484.

Sources within and  
without United  
States.  
*Post*, p. 503.

Foreign personal  
holding companies.

*Post*, p. 548.  
Consent dividends.  
*Post*, p. 470.

Deductions from  
gross income.

General expenses of  
carrying on business.

Corporate charita-  
ble contributions.

Interest.

Taxes generally.  
Exceptions.

Federal income,  
etc., taxes.  
49 Stat. 1019; *post*,  
p. 567.

the filing of his return for the preceding taxable year, has filed with the Commissioner his election to have it apply.

(6) **REGULATIONS AS TO CHANGE.**—The change to such method shall be made in accordance with such regulations as the Commissioner, with the approval of the Secretary, may prescribe as necessary to prevent the avoidance of tax.

(7) **CHANGE TO DIFFERENT METHOD.**—An election made under this subsection shall be irrevocable and the method so elected shall be applied in all subsequent taxable years notwithstanding any change in the principal business of the taxpayer, unless with the approval of the Commissioner change to a different method is authorized, and then upon such terms and conditions and in accordance with such regulations as the Commissioner, with the approval of the Secretary, may prescribe.

(e) **DISTRIBUTIONS BY CORPORATIONS.**—Distributions by corporations shall be taxable to the shareholders as provided in section 115.

(f) **DETERMINATION OF GAIN OR LOSS.**—In the case of a sale or other disposition of property, the gain or loss shall be computed as provided in section 111.

(g) **GROSS INCOME FROM SOURCES WITHIN AND WITHOUT UNITED STATES.**—For computation of gross income from sources within and without the United States, see section 119.

(h) **FOREIGN PERSONAL HOLDING COMPANIES.**—For provisions relating to gross income of foreign personal holding companies and of their shareholders, see section 334.

(i) **CONSENT DIVIDENDS.**—For inclusion in gross income of amounts specified in shareholders' consents, see section 28.

## SEC. 23. DEDUCTIONS FROM GROSS INCOME.

In computing net income there shall be allowed as deductions:

### (a) EXPENSES.—

(1) **IN GENERAL.**—All the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business, including a reasonable allowance for salaries or other compensation for personal services actually rendered; traveling expenses (including the entire amount expended for meals and lodging) while away from home in the pursuit of a trade or business; and rentals or other payments required to be made as a condition to the continued use or possession, for purposes of the trade or business, of property to which the taxpayer has not taken or is not taking title or in which he has no equity.

(2) **CORPORATE CHARITABLE CONTRIBUTIONS.**—No deduction shall be allowable under paragraph (1) to a corporation for any contribution or gift which would be allowable as a deduction under subsection (q) were it not for the 5 per centum limitation therein contained and for the requirement therein that payment must be made within the taxable year.

(b) **INTEREST.**—All interest paid or accrued within the taxable year on indebtedness, except on indebtedness incurred or continued to purchase or carry obligations (other than obligations of the United States issued after September 24, 1917, and originally subscribed for by the taxpayer) the interest upon which is wholly exempt from the taxes imposed by this title.

(c) **TAXES GENERALLY.**—Taxes paid or accrued within the taxable year, except—

(1) Federal income, war-profits, and excess-profits taxes (other than the excess-profits tax imposed by section 106 of the Revenue Act of 1935 or by section 602 of this Act);

(2) income, war-profits, and excess-profits taxes imposed by the authority of any foreign country or possession of the United States; but this deduction shall be allowed in the case of a taxpayer who does not signify in his return his desire to have to any extent the benefits of section 131 (relating to credit for taxes of foreign countries and possessions of the United States);

Income, etc., taxes imposed by foreign country, etc.

*Post*, p. 506.

(3) estate, inheritance, legacy, succession, and gift taxes; and  
(4) taxes assessed against local benefits of a kind tending to increase the value of the property assessed; but this paragraph shall not exclude the allowance as a deduction of so much of such taxes as is properly allocable to maintenance or interest charges.

Estate, etc., taxes. Assessment against local benefits, etc.

(d) **TAXES OF SHAREHOLDER PAID BY CORPORATION.**—The deduction for taxes allowed by subsection (c) shall be allowed to a corporation in the case of taxes imposed upon a shareholder of the corporation upon his interest as shareholder which are paid by the corporation without reimbursement from the shareholder, but in such cases no deduction shall be allowed the shareholder for the amount of such taxes.

Taxes of shareholder paid by corporation.

(e) **LOSSES BY INDIVIDUALS.**—In the case of an individual, losses sustained during the taxable year and not compensated for by insurance or otherwise—

Losses by individuals.

(1) if incurred in trade or business; or

Business.  
Not connected with trade or business.

(2) if incurred in any transaction entered into for profit, though not connected with the trade or business; or

(3) of property not connected with the trade or business, if the loss arises from fires, storms, shipwreck, or other casualty, or from theft. No loss shall be allowed as a deduction under this paragraph if at the time of the filing of the return such loss has been claimed as a deduction for estate tax purposes in the estate tax return.

Casualty losses not connected with business.

Disallowed, if deducted for estate tax purposes.

(f) **LOSSES BY CORPORATIONS.**—In the case of a corporation, losses sustained during the taxable year and not compensated for by insurance or otherwise.

Losses by corporations.

(g) **CAPITAL LOSSES.**—

Capital losses.

(1) **LIMITATION.**—Losses from sales or exchanges of capital assets shall be allowed only to the extent provided in section 117.

Limitation.

(2) **SECURITIES BECOMING WORTHLESS.**—If any securities (as defined in paragraph (3) of this subsection) become worthless during the taxable year and are capital assets, the loss resulting therefrom shall, for the purposes of this title, be considered as a loss from the sale or exchange, on the last day of such taxable year, of capital assets.

Securities becoming worthless.

(3) **DEFINITION OF SECURITIES.**—As used in this subsection the term "securities" means (A) shares of stock in a corporation, and (B) rights to subscribe for or to receive such shares.

Definition of securities.

(h) **WAGERING LOSSES.**—Losses from wagering transactions shall be allowed only to the extent of the gains from such transactions.

Wagering losses.

(i) **BASIS FOR DETERMINING LOSS.**—The basis for determining the amount of deduction for losses sustained, to be allowed under subsection (e) or (f), and for bad debts, to be allowed under subsection (k), shall be the adjusted basis provided in section 113 (b) for determining the loss from the sale or other disposition of property.

Basis for determining loss.

*Post*, p. 493.

(j) **LOSS ON WASH SALES OF STOCK OR SECURITIES.**—For disallowance of loss deduction in the case of sales of stock or securities where within thirty days before or after the date of the sale the taxpayer has acquired substantially identical property, see section 118.

Loss on wash sales of stock or securities.

*Post*, p. 503.

Bad debts.  
General rule.

(k) BAD DEBTS.—

(1) GENERAL RULE.—Debts ascertained to be worthless and charged off within the taxable year (or, in the discretion of the Commissioner, a reasonable addition to a reserve for bad debts); and when satisfied that a debt is recoverable only in part, the Commissioner may allow such debt, in an amount not in excess of the part charged off within the taxable year, as a deduction. This paragraph shall not apply in the case of a taxpayer, other than a bank, as defined in section 104, with respect to a debt evidenced by a security as defined in paragraph (3) of this subsection.

Exception.  
*Post*, p. 484.

Securities becoming worthless.

(2) SECURITIES BECOMING WORTHLESS.—If any securities (as defined in paragraph (3) of this subsection) are ascertained to be worthless and charged off within the taxable year and are capital assets, the loss resulting therefrom shall, in the case of a taxpayer other than a bank, as defined in section 104, for the purposes of this title, be considered as a loss from the sale or exchange, on the last day of such taxable year, of capital assets.

*Post*, p. 484.

"Securities" defined.

(3) DEFINITION OF SECURITIES.—As used in this subsection the term "securities" means bonds, debentures, notes, or certificates, or other evidences of indebtedness, issued by any corporation (including those issued by a government or political subdivision thereof), with interest coupons or in registered form.

Depreciation, etc., of business property.

(1) DEPRECIATION.—A reasonable allowance for the exhaustion, wear and tear of property used in the trade or business, including a reasonable allowance for obsolescence. In the case of property held by one person for life with remainder to another person, the deduction shall be computed as if the life tenant were the absolute owner of the property and shall be allowed to the life tenant. In the case of property held in trust the allowable deduction shall be apportioned between the income beneficiaries and the trustee in accordance with the pertinent provisions of the instrument creating the trust, or, in the absence of such provisions, on the basis of the trust income allocable to each.

Life tenancy.

Property held in trust.

Mines, oil and gas wells, timber, etc.  
Allowance for depletion, etc.

(m) DEPLETION.—In the case of mines, oil and gas wells, other natural deposits, and timber, a reasonable allowance for depletion and for depreciation of improvements, according to the peculiar conditions in each case; such reasonable allowance in all cases to be made under rules and regulations to be prescribed by the Commissioner, with the approval of the Secretary. In any case in which it is ascertained as a result of operations or of development work that the recoverable units are greater or less than the prior estimate thereof, then such prior estimate (but not the basis for depletion) shall be revised and the allowance under this subsection for subsequent taxable years shall be based upon such revised estimate. In the case of leases the deductions shall be equitably apportioned between the lessor and lessee. In the case of property held by one person for life with remainder to another person, the deduction shall be computed as if the life tenant were the absolute owner of the property and shall be allowed to the life tenant. In the case of property held in trust the allowable deduction shall be apportioned between the income beneficiaries and the trustee in accordance with the pertinent provisions of the instrument creating the trust, or, in the absence of such provisions, on the basis of the trust income allocable to each. (For percentage depletion allowable under this subsection, see section 114 (b), (3) and (4).)

Revision of estimates allowed.

Leases.

Life estates.

Property held in trust.

*Post*, p. 495.

Basis for depreciation and depletion.

(n) BASIS FOR DEPRECIATION AND DEPLETION.—The basis upon which depletion, exhaustion, wear and tear, and obsolescence are to be allowed in respect of any property shall be as provided in section 114.

*Post*, p. 494.

(o) CHARITABLE AND OTHER CONTRIBUTIONS.—In the case of an individual, contributions or gifts payment of which is made within the taxable year to or for the use of:

Charitable, etc., contributions.

(1) the United States, any State, Territory, or any political subdivision thereof, or the District of Columbia, for exclusively public purposes;

For public purposes.

(2) a domestic corporation, or domestic trust, or domestic community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation;

Religious, scientific, etc., purposes.

(3) the special fund for vocational rehabilitation authorized by section 12 of the World War Veterans' Act, 1924;

Vocational rehabilitation.  
43 Stat. 611.  
38 U. S. C. § 440.  
War veterans' organizations, etc.

(4) posts or organizations of war veterans, or auxiliary units or societies of any such posts or organizations, if such posts, organizations, units, or societies are organized in the United States or any of its possessions, and if no part of their net earnings inures to the benefit of any private shareholder or individual; or

(5) a domestic fraternal society, order, or association, operating under the lodge system, but only if such contributions or gifts are to be used exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals;

Fraternal societies; condition.

to an amount which in all the above cases combined does not exceed 15 per centum of the taxpayer's net income as computed without the benefit of this subsection. Such contributions or gifts shall be allowable as deductions only if verified under rules and regulations prescribed by the Commissioner, with the approval of the Secretary. (For unlimited deduction if contributions and gifts exceed 90 per centum of the net income, see section 120.)

Unlimited deductions.  
Post, p. 506.  
Pension trusts.  
General rule.

(p) PENSION TRUSTS.—

(1) GENERAL RULE.—An employer establishing or maintaining a pension trust to provide for the payment of reasonable pensions to his employees shall be allowed as a deduction (in addition to the contributions to such trust during the taxable year to cover the pension liability accruing during the year, allowed as a deduction under subsection (a) of this section) a reasonable amount transferred or paid into such trust during the taxable year in excess of such contributions, but only if such amount (1) has not theretofore been allowable as a deduction, and (2) is apportioned in equal parts over a period of ten consecutive years beginning with the year in which the transfer or payment is made.

(2) DEDUCTIONS UNDER PRIOR INCOME TAX ACTS.—Any deduction allowable under section 23 (q) of the Revenue Act of 1928 or the Revenue Act of 1932 or the Revenue Act of 1934, or under section 23 (p) of the Revenue Act of 1936, which under such section was apportioned to any taxable year beginning after December 31, 1937, shall be allowed as a deduction in the years to which so apportioned to the extent allowable under such section if it had remained in force with respect to such year.

Deductions under prior Acts.  
45 Stat. 802; 47 Stat. 182; 48 Stat. 691; 49 Stat. 1661.  
26 U. S. C. § 23 (q); Supp. III, § 23 (p).

(3) EXEMPTION OF TRUSTS UNDER SECTION 165.—The provisions of paragraphs (1) and (2) of this subsection shall be subject to the qualification that the deduction under either paragraph shall be allowable only with respect to a taxable year (whether the

Exemption of employees' trusts.

*Post*, p. 518.

Charitable, etc., contributions by corporations.

Restriction.

Dividends of certain banking corporations.  
*Post*, p. 506.

Items not deductible.

General rule.

Personal, etc., expenses.  
Property improvements, etc.

Property restoration, etc.

Life insurance premiums for employees.

Deductions allocable to tax-exempt incomes.

Losses from sales or exchanges.  
Losses disallowed.

Between members of family.  
*Post*, p. 465.

Individual and corporation.

Personal holding companies.

year of the transfer or payment or a subsequent year) of the employer ending within or with a taxable year of the trust with respect to which the trust is exempt from tax under section 165.

(q) **CHARITABLE AND OTHER CONTRIBUTIONS BY CORPORATIONS.**—In the case of a corporation, contributions or gifts payment of which is made within the taxable year to or for the use of a domestic corporation, or domestic trust, or domestic community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes or the prevention of cruelty to children (but in the case of contributions or gifts to a trust, chest, fund, or foundation, only if such contributions or gifts are to be used within the United States exclusively for such purposes), no part of the net earnings of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation; to an amount which does not exceed 5 per centum of the taxpayer's net income as computed without the benefit of this subsection. Such contributions or gifts shall be allowable as deductions only if verified under rules and regulations prescribed by the Commissioner, with the approval of the Secretary.

(r) For deduction of dividends paid by certain banking corporations, see section 121.

#### SEC. 24. ITEMS NOT DEDUCTIBLE.

(a) **GENERAL RULE.**—In computing net income no deduction shall in any case be allowed in respect of—

- (1) Personal, living, or family expenses;
- (2) Any amount paid out for new buildings or for permanent improvements or betterments made to increase the value of any property or estate;
- (3) Any amount expended in restoring property or in making good the exhaustion thereof for which an allowance is or has been made;
- (4) Premiums paid on any life insurance policy covering the life of any officer or employee, or of any person financially interested in any trade or business carried on by the taxpayer, when the taxpayer is directly or indirectly a beneficiary under such policy; or
- (5) Any amount otherwise allowable as a deduction which is allocable to one or more classes of income other than interest (whether or not any amount of income of that class or classes is received or accrued) wholly exempt from the taxes imposed by this title.

#### (b) **LOSSES FROM SALES OR EXCHANGES OF PROPERTY.**—

(1) **LOSSES DISALLOWED.**—In computing net income no deduction shall in any case be allowed in respect of losses from sales or exchanges of property, directly or indirectly—

(A) Between members of a family, as defined in paragraph (2) (D);

(B) Except in the case of distributions in liquidation, between an individual and a corporation more than 50 per centum in value of the outstanding stock of which is owned, directly or indirectly, by or for such individual;

(C) Except in the case of distributions in liquidation, between two corporations more than 50 per centum in value of the outstanding stock of each of which is owned, directly or indirectly, by or for the same individual, if either one of

such corporations, with respect to the taxable year of the corporation preceding the date of the sale or exchange was, under the law applicable to such taxable year, a personal holding company or a foreign personal holding company;

(D) Between a grantor and a fiduciary of any trust;

(E) Between the fiduciary of a trust and the fiduciary of another trust, if the same person is a grantor with respect to each trust; or

(F) Between a fiduciary of a trust and a beneficiary of such trust.

Between grantor and fiduciary.  
Between fiduciaries if grantor same person.

Between fiduciary and beneficiary.

(2) STOCK OWNERSHIP, FAMILY, AND PARTNERSHIP RULE.—For the purposes of determining, in applying paragraph (1), the ownership of stock—

Stock ownership, family, and partnership rule.

(A) Stock owned, directly or indirectly, by or for a corporation, partnership, estate, or trust, shall be considered as being owned proportionately by or for its shareholders, partners, or beneficiaries;

(B) An individual shall be considered as owning the stock owned, directly or indirectly, by or for his family;

(C) An individual owning (otherwise than by the application of subparagraph (B)) any stock in a corporation shall be considered as owning the stock owned, directly or indirectly, by or for his partner;

(D) The family of an individual shall include only his brothers and sisters (whether by the whole or half blood), spouse, ancestors, and lineal descendants; and

(E) CONSTRUCTIVE OWNERSHIP AS ACTUAL OWNERSHIP.—Stock constructively owned by a person by reason of the application of subparagraph (A) shall, for the purpose of applying subparagraph (A), (B), or (C), be treated as actually owned by such person, but stock constructively owned by an individual by reason of the application of subparagraph (B) or (C) shall not be treated as owned by him for the purpose of again applying either of such subparagraphs in order to make another the constructive owner of such stock.

Constructive ownership as actual ownership.

(c) UNPAID EXPENSES AND INTEREST.—In computing net income no deduction shall be allowed under section 23 (a), relating to expenses incurred, or under section 23 (b), relating to interest accrued—

Unpaid expenses and interest.  
Anle, p. 460.

(1) If such expenses or interest are not paid within the taxable year or within two and one-half months after the close thereof; and

(2) If, by reason of the method of accounting of the person to whom the payment is to be made, the amount thereof is not, unless paid, includible in the gross income of such person for the taxable year in which or with which the taxable year of the taxpayer ends; and

(3) If, at the close of the taxable year of the taxpayer or at any time within two and one-half months thereafter, both the taxpayer and the person to whom the payment is to be made are persons between whom losses would be disallowed under section 24 (b).

(d) HOLDERS OF LIFE OR TERMINABLE INTEREST.—Amounts paid under the laws of any State, Territory, District of Columbia, possession of the United States, or foreign country as income to the holder of a life or terminable interest acquired by gift, bequest, or inheritance shall not be reduced or diminished by any deduction for

Holders of life or terminable interest.



shrinkage (by whatever name called) in the value of such interest due to the lapse of time, nor by any deduction allowed by this Act (except the deductions provided for in subsections (l) and (m) of section 23) for the purpose of computing the net income of an estate or trust but not allowed under the laws of such State, Territory, District of Columbia, possession of the United States, or foreign country for the purpose of computing the income to which such holder is entitled.

(e) **TAX WITHHELD ON TAX-FREE COVENANT BONDS.**—For nondeductibility of tax withheld on tax-free covenant bonds, see section 143 (a) (3).

Tax withheld on tax-free covenant bonds.  
*Post*, p. 511.

Credits of individual against net income.  
Normal tax only.

## SEC. 25. CREDITS OF INDIVIDUAL AGAINST NET INCOME.

(a) **CREDITS FOR NORMAL TAX ONLY.**—There shall be allowed for the purpose of the normal tax, but not for the surtax, the following credits against the net income:

Interest on United States obligations.

(1) **INTEREST ON UNITED STATES OBLIGATIONS.**—The amount received as interest upon obligations of the United States which is included in gross income under section 22.

*Ante*, p. 457.

Interest on obligations of instrumentalities of United States.

(2) **INTEREST ON OBLIGATIONS OF INSTRUMENTALITIES OF THE UNITED STATES.**—The amount received as interest on obligations of a corporation organized under Act of Congress, if (A) such corporation is an instrumentality of the United States; and (B) such interest is included in gross income under section 22; and (C) under the Act authorizing the issue thereof, as amended and supplemented, such interest is exempt from normal tax.

*Ante*, p. 457.

Earned income credit.

(3) **EARNED INCOME CREDIT.**—10 per centum of the amount of the earned net income, but not in excess of 10 per centum of the amount of the net income.

Earned income definitions.

(4) **EARNED INCOME DEFINITIONS.**—For the purposes of this section—

"Earned income."

(A) "Earned income" means wages, salaries, professional fees, and other amounts received as compensation for personal services actually rendered, but does not include any amount not included in gross income, nor that part of the compensation derived by the taxpayer for personal services rendered by him to a corporation which represents a distribution of earnings or profits rather than a reasonable allowance as compensation for the personal services actually rendered. In the case of a taxpayer engaged in a trade or business in which both personal services and capital are material income producing factors, a reasonable allowance as compensation for the personal services actually rendered by the taxpayer, not in excess of 20 per centum of his share of the net profits of such trade or business, shall be considered as earned income.

"Earned income deductions."

(B) "Earned income deductions" means such deductions as are allowed by section 23 for the purpose of computing net income, and are properly allocable to or chargeable against earned income.

"Earned net income."

(C) "Earned net income" means the excess of the amount of the earned income over the sum of the earned income deductions. If the taxpayer's net income is not more than \$3,000, his entire net income shall be considered to be earned net income, and if his net income is more than \$3,000, his earned net income shall not be considered to be less than \$3,000. In no case shall the earned net income be considered to be more than \$14,000.

(b) CREDITS FOR BOTH NORMAL TAX AND SURTAX.—There shall be allowed for the purposes of the normal tax and the surtax the following credits against net income:

(1) PERSONAL EXEMPTION.—In the case of a single person or a married person not living with husband or wife, a personal exemption of \$1,000; or in the case of the head of a family or a married person living with husband or wife, a personal exemption of \$2,500. A husband and wife living together shall receive but one personal exemption. The amount of such personal exemption shall be \$2,500. If such husband and wife make separate returns, the personal exemption may be taken by either or divided between them.

(2) CREDIT FOR DEPENDENTS.—\$400 for each person (other than husband or wife) dependent upon and receiving his chief support from the taxpayer if such dependent person is under eighteen years of age or is incapable of self-support because mentally or physically defective.

(3) CHANGE OF STATUS.—If the status of the taxpayer, insofar as it affects the personal exemption or credit for dependents, changes during the taxable year, the personal exemption and credit shall be apportioned, under rules and regulations prescribed by the Commissioner with the approval of the Secretary, in accordance with the number of months before and after such change. For the purpose of such apportionment a fractional part of a month shall be disregarded unless it amounts to more than half a month in which case it shall be considered as a month.

Credits for both normal tax and surtax.

Personal exemption. Single person, etc.

Husband and wife living together.

Separate returns.

Credit for dependents.

Change of status during taxable year.

Apportionment.

## SEC. 26. CREDITS OF CORPORATIONS.

In the case of a corporation the following credits shall be allowed to the extent provided in the various sections imposing tax—

(a) INTEREST ON OBLIGATIONS OF THE UNITED STATES AND ITS INSTRUMENTALITIES.—The amount received as interest upon obligations of the United States or of corporations organized under Act of Congress which is allowed to an individual as a credit for purposes of normal tax by section 25 (a) (1) or (2).

(b) DIVIDENDS RECEIVED.—85 per centum of the amount received as dividends from a domestic corporation which is subject to taxation under this title, but not in excess of 85 per centum of the adjusted net income. The credit allowed by this subsection shall not be allowed in respect of dividends received from a corporation organized under the China Trade Act, 1922, or from a corporation which under section 251 is taxable only on its gross income from sources within the United States by reason of its receiving a large percentage of its gross income from sources within a possession of the United States.

(c) NET OPERATING LOSS OF PRECEDING YEAR.—

(1) AMOUNT OF CREDIT.—The amount of the net operating loss (as defined in paragraph (2)) of the corporation for the preceding taxable year, but not in excess of the adjusted net income for the taxable year.

(2) DEFINITION.—As used in this title the term "net operating loss" means the excess of the deductions allowed by this title over the gross income, with the following exceptions and limitations—

(A) The deduction for depletion shall not exceed the amount which would be allowable if computed without reference to discovery value or to percentage depletion under section 114 (b) (2), (3), or (4);

Credits of corporations.

Interest on obligations of United States and its instrumentalities.

*Ante*, p. 465.

Dividends received.

42 Stat. 849.  
15 U. S. C. §§ 141-161; 28 U. S. C. § 53.  
*Post*, p. 532.

Net operating loss of preceding year.  
Amount of credit.

"Net operating loss", defined.

Exceptions and limitations.

*Post*, p. 495.

(B) There shall be included in computing gross income the amount of interest received which is wholly exempt from the taxes imposed by this title, decreased by the amount of interest paid or accrued which is not allowed as a deduction by section 23 (b), relating to interest on indebtedness incurred or continued to purchase or carry certain tax-exempt obligations.

Bank affiliates.  
48 Stat. 163.

R. S. § 5144.  
12 U. S. C. § 61.  
Aggregate of allowable credits.

Dividends paid credit.

Consent dividends credit.  
*Post*, p. 470.

Corporation dividends paid credit.

Definition in general.  
"Dividends paid credit" defined.

"Indebtedness" defined.

"Basic surtax credit" defined.

(d) **BANK AFFILIATES.**—In the case of a holding company affiliate (as defined in section 2 of the Banking Act of 1933), the amount of the earnings or profits which the Board of Governors of the Federal Reserve System certifies to the Commissioner has been devoted by such affiliate during the taxable year to the acquisition of readily marketable assets other than bank stock in compliance with section 5144 of the Revised Statutes. The aggregate of the credits allowable under this subsection for all taxable years beginning after December 31, 1935, shall not exceed the amount required to be devoted under such section 5144 to such purposes, and the amount of the credit for any taxable year shall not exceed the adjusted net income for such year.

(e) **DIVIDENDS PAID CREDIT.**—For corporation dividends paid credit, see section 27.

(f) **CONSENT DIVIDENDS CREDIT.**—For corporation consent dividends credit, see section 28.

## SEC. 27. CORPORATION DIVIDENDS PAID CREDIT.

(a) **DEFINITION IN GENERAL.**—As used in this title with respect to any taxable year the term "dividends paid credit" means the sum of:

(1) The basic surtax credit for such year, computed as provided in subsection (b);

(2) The dividend carry-over to such year, computed as provided in subsection (c);

(3) The amount, if any, by which any deficit in the accumulated earnings and profits, as of the close of the preceding taxable year (whether beginning on, before, or after January 1, 1938), exceeds the amount of the credit provided in section 26 (c) (relating to net operating losses), for such preceding taxable year (if beginning after December 31, 1937); and

(4) Amounts used or irrevocably set aside to pay or to retire indebtedness of any kind, if such amounts are reasonable with respect to the size and terms of such indebtedness. As used in this paragraph the term "indebtedness" means only an indebtedness of the corporation existing at the close of business on December 31, 1937, and evidenced by a bond, note, debenture, certificate of indebtedness, mortgage, or deed of trust, issued by the corporation and in existence at the close of business on December 31, 1937, or by a bill of exchange accepted by the corporation prior to, and in existence at, the close of business on such date. Where the indebtedness is for a principal sum, with interest, no credit shall be allowed under this paragraph for amounts used or set aside to pay such interest.

(b) **BASIC SURTAX CREDIT.**—As used in this title the term "basic surtax credit" means the sum of:

(1) The dividends paid during the taxable year, increased by the consent dividends credit provided in section 28, and reduced by the amount of the credit provided in section 26 (a), relating to interest on certain obligations of the United States and Government corporations;

(2) In the case of a taxable year beginning after December 31, 1938, the net operating loss credit provided in section 26 (c) (1);

(3) The bank affiliate credit provided in section 26 (d).

*Ante*, p. 468.

The aggregate of the amounts under paragraphs (2) and (3) shall not exceed the adjusted net income for the taxable year.

(c) **DIVIDEND CARRY-OVER.**—There shall be computed with respect to each taxable year of a corporation a dividend carry-over to such year from the two preceding taxable years, which shall consist of the sum of—

Dividend carry-over.

(1) The amount of the basic surtax credit for the second preceding taxable year, reduced by the adjusted net income for such year, and further reduced by the amount, if any, by which the adjusted net income for the first preceding taxable year exceeds the sum of—

(A) The basic surtax credit for such year; and

(B) The excess, if any, of the basic surtax credit for the third preceding taxable year (if not beginning before January 1, 1936) over the adjusted net income for such year; and

(2) The amount, if any, by which the basic surtax credit for the first preceding taxable year exceeds the adjusted net income for such year.

In the case of a preceding taxable year, referred to in this subsection, which begins in 1936 or 1937, the adjusted net income shall be the adjusted net income as defined in section 14 of the Revenue Act of 1936, and the basic surtax credit shall be only the dividends paid credit computed under the Revenue Act of 1936 without the benefit of the dividend carry-over provided in section 27 (b) of such Act.

Adjusted net income.  
49 Stat. 1656, 1665.  
26 U. S. C., Supp. III, §§ 13a, 27 (b).

(d) **DIVIDENDS IN KIND.**—If a dividend is paid in property other than money (including stock of the corporation if held by the corporation as an investment) the amount with respect thereto which shall be used in computing the basic surtax credit shall be the adjusted basis of the property in the hands of the corporation at the time of the payment, or the fair market value of the property at the time of the payment, whichever is the lower.

Dividends in kind.

(e) **DIVIDENDS IN OBLIGATIONS OF THE CORPORATION.**—If a dividend is paid in obligations of the corporation, the amount with respect thereto which shall be used in computing the basic surtax credit shall be the face value of the obligations, or their fair market value at the time of the payment, whichever is the lower. If the fair market value of any such dividend paid in any taxable year of the corporation beginning after December 31, 1935, is lower than the face value, then when the obligation is redeemed by the corporation in a taxable year of the corporation beginning after December 31, 1937, the excess of the amount for which redeemed over the fair market value at the time of the dividend payment (to the extent not allowable as a deduction in computing net income for any taxable year) shall be treated as a dividend paid in the taxable year in which the redemption occurs.

Dividends in obligations of corporation.

(f) **TAXABLE STOCK DIVIDENDS.**—In case of a stock dividend or stock right which is a taxable dividend in the hands of shareholders under section 115 (f), the amount with respect thereto which shall be used in computing the basic surtax credit shall be the fair market value of the stock or the stock right at the time of the payment.

Taxable stock dividends.

*Post*, p. 497.

(g) **DISTRIBUTIONS IN LIQUIDATION.**—In the case of amounts distributed in liquidation the part of such distribution which is properly chargeable to the earnings or profits accumulated after February 28, 1913, shall, for the purposes of computing the basic surtax credit under this section, be treated as a taxable dividend paid.

Distributions in liquidation.

Preferential dividends.

(h) **PREFERENTIAL DIVIDENDS.**—The amount of any distribution (although each portion thereof is received by a shareholder as a taxable dividend), not made in connection with a consent distribution (as defined in section 28 (a) (4)), shall not be considered as dividends paid for the purpose of computing the basic surtax credit, unless such distribution is pro rata, with no preference to any share of stock as compared with other shares of the same class, and with no preference to one class of stock as compared with another class except to the extent that the former is entitled (without reference to waivers of their rights by shareholders) to such preference. For a distribution made in connection with a consent distribution, see section 28.

Nontaxable distributions.

(i) **NONTAXABLE DISTRIBUTIONS.**—If any part of a distribution (including stock dividends and stock rights) is not a taxable dividend in the hands of such of the shareholders as are subject to taxation under this title for the period in which the distribution is made, such part shall not be included in computing the basic surtax credit.

Consent dividends credit.  
Definitions.

#### SEC. 28. CONSENT DIVIDENDS CREDIT.

"Consent stock."

(a) **DEFINITIONS.**—As used in this section—

(1) **CONSENT STOCK.**—The term "consent stock" means the class or classes of stock entitled, after the payment of preferred dividends (as defined in paragraph (2)), to a share in the distribution (other than in complete or partial liquidation) within the taxable year of all the remaining earnings or profits, which share constitutes the same proportion of such distribution regardless of the amount of such distribution.

"Preferred dividends."

(2) **PREFERRED DIVIDENDS.**—The term "preferred dividends" means a distribution (other than in complete or partial liquidation), limited in amount, which must be made on any class of stock before a further distribution (other than in complete or partial liquidation) of earnings or profits may be made within the taxable year.

"Consent dividends day."

(3) **CONSENT DIVIDENDS DAY.**—The term "consent dividends day" means the last day of the taxable year of the corporation, unless during the last month of such year there have occurred one or more days on which was payable a partial distribution (as defined in paragraph (5)), in which case it means the last of such days.

"Consent distribution."

(4) **CONSENT DISTRIBUTION.**—The term "consent distribution" means the distribution which would have been made if on the consent dividends day (as defined in paragraph (3)) there had actually been distributed in cash and received by each shareholder making a consent filed by the corporation under subsection (d), the specific amount stated in such consent.

"Partial distribution."

(5) **PARTIAL DISTRIBUTION.**—The term "partial distribution" means such part of an actual distribution, payable during the last month of the taxable year of the corporation, as constitutes a distribution on the whole or any part of the consent stock (as defined in paragraph (1)), which part of the distribution, if considered by itself and not in connection with a consent distribution (as defined in paragraph (4)), would be a preferential distribution, as defined in paragraph (6).

"Preferential distribution."

(6) **PREFERENTIAL DISTRIBUTION.**—The term "preferential distribution" means a distribution which is not pro rata, or which is with preference to any share of stock as compared with other shares of the same class, or to any class of consent stock as compared with any other class of consent stock.

(b) CORPORATIONS NOT ENTITLED TO CREDIT.—A corporation shall not to <sup>1</sup> be entitled to a consent dividends credit with respect to any taxable year—

Corporations not entitled to credit.

(1) Unless, at the close of such year, all preferred dividends (for the taxable year and, if cumulative, for prior taxable years) have been paid; or

(2) If, at any time during such year, the corporation has taken any steps in, or in pursuance of a plan of, complete or partial liquidation of all or any part of the consent stock.

(c) ALLOWANCE OF CREDIT.—There shall be allowed to the corporation, as a part of its basic surtax credit for the taxable year, a consent dividends credit equal to such portion of the total sum agreed to be included in the gross income of shareholders by their consents filed under subsection (d) as it would have been entitled to include in computing its basic surtax credit if actual distribution of an amount equal to such total sum had been made in cash and each shareholder making such a consent had received, on the consent dividends day, the amount specified in the consent.

Allowance of credit.

(d) SHAREHOLDERS' CONSENTS.—The corporation shall not be entitled to a consent dividends credit with respect to any taxable year—

Shareholders' consents.

(1) Unless it files with its return for such year (in accordance with regulations prescribed by the Commissioner with the approval of the Secretary) signed consents made under oath by persons who were shareholders, on the last day of the taxable year of the corporation, of any class of consent stock; and

(2) Unless in each such consent the shareholder agrees that he will include as a taxable dividend, in his return for the taxable year in which or with which the taxable year of the corporation ends, a specific amount; and

(3) Unless the consents filed are made by such of the shareholders and the amount specified in each consent is such, that the consent distribution would not have been a preferential distribution—

(A) If there was no partial distribution during the last month of the taxable year of the corporation, or

(B) If there was such a partial distribution, then when considered in connection with such partial distribution; and

(4) Unless in each consent made by a shareholder who is taxable with respect to a dividend only if received from sources within the United States, such shareholder agrees that the specific amount stated in the consent shall be considered as a dividend received by him from sources within the United States; and

(5) Unless each consent filed is accompanied by cash, or such other medium of payment as the Commissioner may by regulations authorize, in an amount equal to the amount that would be required by section 143 (b) or 144 to be deducted and withheld by the corporation if the amount specified in the consent had been, on the last day of the taxable year of the corporation, paid to the shareholder in cash as a dividend. The amount accompanying the consent shall be credited against the tax imposed by section 211 (a) or 231 (a) upon the shareholder.

Post, pp. 512, 513.

(e) CONSENT DISTRIBUTION AS PART OF ENTIRE DISTRIBUTION.—If during the last month of the taxable year with respect to which shareholders' consents are filed by the corporation under subsection (d) there is made a partial distribution, then, for the purposes of this

Post, pp. 527, 530.

Consent distribution as part of entire distribution.

<sup>1</sup> So in original.

title, such partial distribution and the consent distribution shall be considered as having been made in connection with each other and each shall be considered together with the other as one entire distribution.

Taxability of amounts specified in consents.

(f) **TAXABILITY OF AMOUNTS SPECIFIED IN CONSENTS.**—The total amount specified in a consent filed under subsection (d) shall be included as a taxable dividend in the gross income of the shareholder making such consent, and, if the shareholder is taxable with respect to a dividend only if received from sources within the United States, shall be included in the computation of his tax as a dividend received from sources within the United States; regardless of—

(1) Whether he actually so includes it in his return; and

(2) Whether the distribution by the corporation of an amount equal to the total sum included in all the consents filed, had actual distribution been made, would have been in whole or in part a taxable dividend; and

(3) Whether the corporation is entitled to any consent dividends credit by reason of the filing of such consents, or to a credit less than the total sum included in all the consents filed.

Corporate shareholders.

(g) **CORPORATE SHAREHOLDERS.**—If the shareholder who makes the consent is a corporation, the amount specified in the consent shall be considered as part of its earnings or profits for the taxable year, and shall be included in the computation of its accumulated earnings and profits.

Basis of stock in hands of shareholders.

(h) **BASIS OF STOCK IN HANDS OF SHAREHOLDERS.**—The amount specified in a consent made under subsection (d) shall, for the purpose of adjusting the basis of the consent stock with respect to which the consent was given, be treated as having been reinvested by the shareholder as a contribution to the capital of the corporation; but only in an amount which bears the same ratio to the consent dividends credit of the corporation as the amount of such shareholder's consent stock bears to the total amount of consent stock with respect to which consents are made.

Effect on capital account of corporation.

(i) **EFFECT ON CAPITAL ACCOUNT OF CORPORATION.**—The amount of the consent dividends credit allowed under subsection (c) shall be considered as paid in surplus or as a contribution to the capital of the corporation, and the accumulated earnings and profits as of the close of the taxable year shall be correspondingly reduced.

Amounts not included in shareholder's return.

(j) **AMOUNTS NOT INCLUDED IN SHAREHOLDER'S RETURN.**—The failure of a shareholder of consent stock to include in his gross income for the proper taxable year the amount specified in the consent made by him and filed by the corporation, shall have the same effect, with respect to the deficiency resulting therefrom, as is provided in section 272 (f) with respect to a deficiency resulting from a mathematical error appearing on the face of the return.

*Post*, p. 536.

Credits against tax.

### Part III—Credits Against Tax

Taxes of foreign countries and United States possessions.

#### SEC. 31. TAXES OF FOREIGN COUNTRIES AND POSSESSIONS OF UNITED STATES.

Extent of credit.

The amount of income, war-profits, and excess-profits taxes imposed by foreign countries or possessions of the United States shall be allowed as a credit against the tax, to the extent provided in section 131.

*Post*, p. 506.

Taxes withheld at source.

#### SEC. 32. TAXES WITHHELD AT SOURCE.

Credit.  
*Post*, pp. 511, 513.

The amount of tax withheld at the source under section 143 or 144 shall be allowed as a credit against the tax.

**SEC. 33. CREDIT FOR OVERPAYMENTS.**

For credit against the tax of overpayments of taxes imposed by this title for other taxable years, see section 322.

Overpayments.

Credit.  
*Post*, p. 544.

**Part IV—Accounting Periods and Methods of Accounting****SEC. 41. GENERAL RULE.**

The net income shall be computed upon the basis of the taxpayer's annual accounting period (fiscal year or calendar year, as the case may be) in accordance with the method of accounting regularly employed in keeping the books of such taxpayer; but if no such method of accounting has been so employed, or if the method employed does not clearly reflect the income, the computation shall be made in accordance with such method as in the opinion of the Commissioner does clearly reflect the income. If the taxpayer's annual accounting period is other than a fiscal year as defined in section 48 or if the taxpayer has no annual accounting period or does not keep books, the net income shall be computed on the basis of the calendar year. (For use of inventories, see section 22 (c).)

Accounting periods and methods of accounting.  
General rule.

Net income computed on basis of annual accounting period.

Calendar year, if no other accounting period.

Inventories.  
*Ante*, p. 459.

Gross income.

Period in which items of, included.

Portion in case of death.

**SEC. 42. PERIOD IN WHICH ITEMS OF GROSS INCOME INCLUDED.**

The amount of all items of gross income shall be included in the gross income for the taxable year in which received by the taxpayer, unless, under methods of accounting permitted under section 41, any such amounts are to be properly accounted for as of a different period. In the case of the death of a taxpayer there shall be included in computing net income for the taxable period in which falls the date of his death, amounts accrued up to the date of his death if not otherwise properly includible in respect of such period or a prior period.

**SEC. 43. PERIOD FOR WHICH DEDUCTIONS AND CREDITS TAKEN.**

The deductions and credits (other than the corporation dividends paid credit provided in section 27) provided for in this title shall be taken for the taxable year in which "paid or accrued" or "paid or incurred", dependent upon the method of accounting upon the basis of which the net income is computed, unless in order to clearly reflect the income the deductions or credits should be taken as of a different period. In the case of the death of a taxpayer there shall be allowed as deductions and credits for the taxable period in which falls the date of his death, amounts accrued up to the date of his death (except deductions under section 23 (o)) if not otherwise properly allowable in respect of such period or a prior period.

Deductions and credits.

For taxable year in which "paid or accrued" or "paid or incurred."  
*Ante*, p. 468.

Allowance on death of taxpayer.

*Ante*, p. 463.

**SEC. 44. INSTALLMENT BASIS.**

Installment basis.

(a) **DEALERS IN PERSONAL PROPERTY.**—Under regulations prescribed by the Commissioner with the approval of the Secretary, a person who regularly sells or otherwise disposes of personal property on the installment plan may return as income therefrom in any taxable year that proportion of the installment payments actually received in that year which the gross profit realized or to be realized when payment is completed, bears to the total contract price.

Dealers in personal property.

(b) **SALES OF REALTY AND CASUAL SALES OF PERSONALTY.**—In the case (1) of a casual sale or other casual disposition of personal property (other than property of a kind which would properly be included in the inventory of the taxpayer if on hand at the close of the taxable year), for a price exceeding \$1,000, or (2) of a sale or other disposition of real property, if in either case the initial payments do not exceed 30 per centum of the selling price (or, in case the sale or other

Sales of realty and casual sales of personalty.



disposition was in a taxable year beginning prior to January 1, 1934, the percentage of the selling price prescribed in the law applicable to such year), the income may, under regulations prescribed by the Commissioner with the approval of the Secretary, be returned on the basis and in the manner above prescribed in this section. As used in this section the term "initial payments" means the payments received in cash or property other than evidences of indebtedness of the purchaser during the taxable period in which the sale or other disposition is made.

"Initial payments" defined.

Change from accrual to installment basis.

Gain or loss upon disposition of installment obligations.

Basis.

Transmission at death of obligations.

Post, p. 485.

Allocation of income and deductions.

Provisions if same interests control two or more businesses.

Change of accounting period.

Net income computed on basis of new period.

(c) **CHANGE FROM ACCRUAL TO INSTALLMENT BASIS.**—If a taxpayer entitled to the benefits of subsection (a) elects for any taxable year to report his net income on the installment basis, then in computing his income for the year of change or any subsequent year, amounts actually received during any such year on account of sales or other dispositions of property made in any prior year shall not be excluded.

(d) **GAIN OR LOSS UPON DISPOSITION OF INSTALLMENT OBLIGATIONS.**—If an installment obligation is satisfied at other than its face value or distributed, transmitted, sold, or otherwise disposed of, gain or loss shall result to the extent of the difference between the basis of the obligation and (1) in the case of satisfaction at other than face value or a sale or exchange—the amount realized, or (2) in case of a distribution, transmission, or disposition otherwise than by sale or exchange—the fair market value of the obligation at the time of such distribution, transmission, or disposition. Any gain or loss so resulting shall be considered as resulting from the sale or exchange of the property in respect of which the installment obligation was received. The basis of the obligation shall be the excess of the face value of the obligation over an amount equal to the income which would be returnable were the obligation satisfied in full. This subsection shall not apply to the transmission at death of installment obligations if there is filed with the Commissioner, at such time as he may by regulation prescribe, a bond in such amount and with such sureties as he may deem necessary, conditioned upon the return as income, by the person receiving any payment on such obligations, of the same proportion of such payment as would be returnable as income by the decedent if he had lived and had received such payment. If an installment obligation is distributed by one corporation to another corporation in the course of a liquidation, and under section 112 (b) (6) no gain or loss with respect to the receipt of such obligation is recognized in the case of the recipient corporation, then no gain or loss with respect to the distribution of such obligation shall be recognized in the case of the distributing corporation.

#### SEC. 45. ALLOCATION OF INCOME AND DEDUCTIONS.

In any case of two or more organizations, trades, or businesses (whether or not incorporated, whether or not organized in the United States, and whether or not affiliated) owned or controlled directly or indirectly by the same interests, the Commissioner is authorized to distribute, apportion, or allocate gross income or deductions between or among such organizations, trades, or businesses, if he determines that such distribution, apportionment, or allocation is necessary in order to prevent evasion of taxes or clearly to reflect the income of any of such organizations, trades, or businesses.

#### SEC. 46. CHANGE OF ACCOUNTING PERIOD.

If a taxpayer changes his accounting period from fiscal year to calendar year, from calendar year to fiscal year, or from one fiscal year to another, the net income shall, with the approval of the Commissioner, be computed on the basis of such new accounting period, subject to the provisions of section 47.

**SEC. 47. RETURNS FOR A PERIOD OF LESS THAN TWELVE MONTHS.**

(a) **RETURNS FOR SHORT PERIOD RESULTING FROM CHANGE OF ACCOUNTING PERIOD.**—If a taxpayer, with the approval of the Commissioner, changes the basis of computing net income from fiscal year to calendar year a separate return shall be made for the period between the close of the last fiscal year for which return was made and the following December 31. If the change is from calendar year to fiscal year, a separate return shall be made for the period between the close of the last calendar year for which return was made and the date designated as the close of the fiscal year. If the change is from one fiscal year to another fiscal year a separate return shall be made for the period between the close of the former fiscal year and the date designated as the close of the new fiscal year.

Returns for period less than twelve months.

Short period resulting from change of accounting period.

(b) **INCOME COMPUTED ON BASIS OF SHORT PERIOD.**—Where a separate return is made under subsection (a) on account of a change in the accounting period, and in all other cases where a separate return is required or permitted, by regulations prescribed by the Commissioner with the approval of the Secretary, to be made for a fractional part of a year, then the income shall be computed on the basis of the period for which separate return is made.

Income computed on basis of short period.

(c) **INCOME PLACED ON ANNUAL BASIS.**—If a separate return is made (except returns of the income of a corporation) under subsection (a) on account of a change in the accounting period, the net income, computed on the basis of the period for which separate return is made, shall be placed on an annual basis by multiplying the amount thereof by twelve and dividing by the number of months included in the period for which the separate return is made. The tax shall be such part of the tax computed on such annual basis as the number of months in such period is of twelve months.

Income placed on annual basis.

(d) **EARNED INCOME.**—The Commissioner with the approval of the Secretary shall by regulations prescribe the method of applying the provisions of subsections (b) and (c) (relating to computing income on the basis of a short period, and placing such income on an annual basis) to cases where the taxpayer makes a separate return under subsection (a) on account of a change in the accounting period, and it appears that for the period for which the return is so made he has received earned income.

Earned income.

(e) **REDUCTION OF CREDITS AGAINST NET INCOME.**—In the case of a return made for a fractional part of a year, except a return made under subsection (a), on account of a change in the accounting period, the personal exemption and credit for dependents shall be reduced respectively to amounts which bear the same ratio to the full credits provided as the number of months in the period for which return is made bears to twelve months.

Reduction of credits against net income.

(f) **CLOSING OF TAXABLE YEAR IN CASE OF JEOPARDY.**—For closing of taxable year in case of jeopardy, see section 146.

Closing of taxable year in case of jeopardy.  
*Post*, p. 513.

**SEC. 48. DEFINITIONS.**

When used in this title—

(a) **TAXABLE YEAR.**—“Taxable year” means the calendar year, or the fiscal year ending during such calendar year, upon the basis of which the net income is computed under this Part. “Taxable year” includes, in the case of a return made for a fractional part of a year under the provisions of this title or under regulations prescribed by the Commissioner with the approval of the Secretary, the period for which such return is made.

“Taxable year.”

(b) **FISCAL YEAR.**—“Fiscal year” means an accounting period of twelve months ending on the last day of any month other than December.

“Fiscal year.”

Definitions.

"Paid or incurred";  
"paid or accrued."

(c) "PAID OR INCURRED", "PAID OF ACCRUED".—The terms "paid or incurred" and "paid or accrued" shall be construed according to the method of accounting upon the basis of which the net income is computed under this Part.

"Trade or business."

(d) TRADE OR BUSINESS.—The term "trade or business" includes the performance of the functions of a public office.

Returns and pay-  
ment of tax.

Individual returns.

Requirement.

Individual who is  
single, etc.

Net income \$1,000 or  
over.

Gross income \$5,000  
or over.

If married and liv-  
ing with husband or  
wife.

Net income \$2,500 or  
over or gross income  
of \$5,000 or over.

If each has a gross  
income and aggregate  
net income of two is  
\$2,500 or over.

When gross income  
of both is \$5,000 or  
over.

Husband and wife.

Nonresident aliens.

Persons under dis-  
ability.

Signature presumed  
correct.

Fiduciaries.  
*Post*, p. 510.

Corporation returns.

Requirement for  
making.

## Part V—Returns and Payment of Tax

### SEC. 51. INDIVIDUAL RETURNS.

(a) REQUIREMENT.—The following individuals shall each make under oath a return stating specifically the items of his gross income and the deductions and credits allowed under this title and such other information for the purpose of carrying out the provisions of this title as the Commissioner with the approval of the Secretary may by regulations prescribe—

(1) Every individual who is single or who is married but not living with husband or wife, if—

(A) Having a net income for the taxable year of \$1,000 or over; or

(B) Having a gross income for the taxable year of \$5,000 or over, regardless of the amount of the net income.

(2) Every individual who is married and living with husband or wife, if no joint return is made under subsection (b) and if—

(A) Such individual has for the taxable year a net income of \$2,500 or over or a gross income of \$5,000 or over (regardless of the amount of the net income), and the other spouse has no gross income; or

(B) Such individual and his spouse each has for the taxable year a gross income (regardless of the amount of the net income) and the aggregate net income of the two is \$2,500 or over; or

(C) Such individual and his spouse each has for the taxable year a gross income (regardless of the amount of the net income) and the aggregate gross income is \$5,000 or over.

(b) HUSBAND AND WIFE.—In the case of a husband and wife living together the income of each (even though one has no gross income) may be included in a single return made by them jointly, in which case the tax shall be computed on the aggregate income, and the liability with respect to the tax shall be joint and several. No joint return may be made if either the husband or wife is a nonresident alien.

(c) PERSONS UNDER DISABILITY.—If the taxpayer is unable to make his own return, the return shall be made by a duly authorized agent or by the guardian or other person charged with the care of the person or property of such taxpayer.

(d) SIGNATURE PRESUMED CORRECT.—The fact that an individual's name is signed to a filed return shall be prima facie evidence for all purposes that the return was actually signed by him.

(e) FIDUCIARIES.—For returns to be made by fiduciaries, see section 142.

### SEC. 52. CORPORATION RETURNS.

Every corporation subject to taxation under this title shall make a return, stating specifically the items of its gross income and the deductions and credits allowed by this title and such other information for the purpose of carrying out the provisions of this title as the Commissioner with the approval of the Secretary may by regulations prescribe. The return shall be sworn to by the president, vice

president, or other principal officer and by the treasurer, assistant treasurer, or chief accounting officer. In cases where receivers, trustees in bankruptcy, or assignees are operating the property or business of corporations, such receivers, trustees, or assignees shall make returns for such corporations in the same manner and form as corporations are required to make returns. Any tax due on the basis of such returns made by receivers, trustees, or assignees shall be collected in the same manner as if collected from the corporations of whose business or property they have custody and control.

By receivers, trustees, or assignees.

Collection.

#### SEC. 53. TIME AND PLACE FOR FILING RETURNS.

##### (a) TIME FOR FILING.—

(1) GENERAL RULE.—Returns made on the basis of the calendar year shall be made on or before the 15th day of March following the close of the calendar year. Returns made on the basis of a fiscal year shall be made on or before the 15th day of the third month following the close of the fiscal year.

Filing returns.

Time for filing.

General rule.

(2) EXTENSION OF TIME.—The Commissioner may grant a reasonable extension of time for filing returns, under such rules and regulations as he shall prescribe with the approval of the Secretary. Except in the case of taxpayers who are abroad, no such extension shall be for more than six months.

Extension of time.

Limitation.

##### (b) TO WHOM RETURN MADE.—

(1) INDIVIDUALS.—Returns (other than corporation returns) shall be made to the collector for the district in which is located the legal residence or principal place of business of the person making the return, or, if he has no legal residence or principal place of business in the United States, then to the collector at Baltimore, Maryland.

To whom made.

Individuals.

(2) CORPORATIONS.—Returns of corporations shall be made to the collector of the district in which is located the principal place of business or principal office or agency of the corporation, or, if it has no principal place of business or principal office or agency in the United States, then to the collector at Baltimore, Maryland.

Corporations.

#### SEC. 54. RECORDS AND SPECIAL RETURNS.

(a) BY TAXPAYER.—Every person liable to any tax imposed by this title or for the collection thereof, shall keep such records, render under oath such statements, make such returns, and comply with such rules and regulations, as the Commissioner, with the approval of the Secretary, may from time to time prescribe.

Records and special returns.

By taxpayer.

(b) TO DETERMINE LIABILITY TO TAX.—Whenever in the judgment of the Commissioner necessary he may require any person, by notice served upon him, to make a return, render under oath such statements, or keep such records, as the Commissioner deems sufficient to show whether or not such person is liable to tax under this title.

To determine liability to tax.

(c) INFORMATION AT THE SOURCE.—For requirement of statements and returns by one person to assist in determining the tax liability of another person, see sections 147 to 150.

Information at source.  
*Post*, pp. 515-516.

(d) COPIES OF RETURNS.—If any person, required by law or regulations made pursuant to law to file a copy of any income return for any taxable year, fails to file such copy at the time required, there shall be due and assessed against such person \$5 in the case of an individual return or \$10 in the case of a fiduciary, partnership, or corporation return, and the collector with whom the return is filed shall prepare such copy. Such amount shall be collected and paid, without interest, in the same manner as the amount of tax due in

Copies of returns; assessment for failure to file.

Collection.

excess of that shown by the taxpayer upon a return in the case of a mathematical error appearing on the face of the return. Copies of returns filed or prepared pursuant to this subsection shall remain on file for a period of not less than two years from the date they are required to be filed, and may be destroyed at any time thereafter under the direction of the Commissioner.

Foreign personal  
holding companies.

Post, pp. 551-552.

Publicity of returns.

Provisions govern-  
ing.

44 Stat. 10.

Inspection by offi-  
cials, etc., in adminis-  
tration of State tax  
laws.

Request by Gover-  
nor.

Manner, time, and  
place of inspection.

Use of information  
secured.

Unlawful disclosure.

Penalty.

Payment of tax.

Time of payment.

Installment pay-  
ments.

(e) **FOREIGN PERSONAL HOLDING COMPANIES.**—For information returns by officers, directors, and large shareholders, with respect to foreign personal holding companies, see sections 338, 339, and 340.

## SEC. 55. PUBLICITY OF RETURNS.

(a) Returns made under this title shall be open to inspection in the same manner, to the same extent, and subject to the same provisions of law, including penalties, as returns made under Title II of the Revenue Act of 1926; and all returns made under this Act shall constitute public records and shall be open to public examination and inspection to such extent as shall be authorized in rules and regulations promulgated by the President.

(b) (1) All income returns filed under this title (or copies thereof, if so prescribed by regulations made under this subsection), shall be open to inspection by any official, body, or commission, lawfully charged with the administration of any State tax law, if the inspection is for the purpose of such administration or for the purpose of obtaining information to be furnished to local taxing authorities as provided in paragraph (2). The inspection shall be permitted only upon written request of the Governor of such State, designating the representative of such official, body, or commission to make the inspection on behalf of such official, body, or commission. The inspection shall be made in such manner, and at such times and places, as shall be prescribed by regulations made by the Commissioner with the approval of the Secretary.

(2) Any information thus secured by any official, body, or commission of any State may be used only for the administration of the tax laws of such State, except that upon written request of the Governor of such State any such information may be furnished to any official, body, or commission of any political subdivision of such State, lawfully charged with the administration of the tax laws of such political subdivision, but may be furnished only for the purpose of, and may be used only for, the administration of such tax laws. Any officer, employee, or agent of any State or political subdivision, who divulges (except as authorized in this subsection, or when called upon to testify in any judicial or administrative proceeding to which the State or political subdivision, or such State or local official, body, or commission, as such, is a party) any information acquired by him through an inspection permitted him or another under this subsection shall be guilty of a misdemeanor and shall upon conviction be punished by a fine of not more than \$1,000, or by imprisonment for not more than one year, or both.

## SEC. 56. PAYMENT OF TAX.

(a) **TIME OF PAYMENT.**—The total amount of tax imposed by this title shall be paid on the fifteenth day of March following the close of the calendar year, or, if the return should be made on the basis of a fiscal year, then on the fifteenth day of the third month following the close of the fiscal year.

(b) **INSTALLMENT PAYMENTS.**—The taxpayer may elect to pay the tax in four equal installments, in which case the first installment shall be paid on the date prescribed for the payment of the tax by the taxpayer, the second installment shall be paid on the fifteenth day of the third month, the third installment on the fifteenth day

of the sixth month, and the fourth installment on the fifteenth day of the ninth month, after such date. If any installment is not paid on or before the date fixed for its payment, the whole amount of the tax unpaid shall be paid upon notice and demand from the collector.

(c) **EXTENSION OF TIME FOR PAYMENT.**—

(1) **GENERAL RULE.**—At the request of the taxpayer, the Commissioner may extend the time for payment of the amount determined as the tax by the taxpayer, or any installment thereof, for a period not to exceed six months from the date prescribed for the payment of the tax or an installment thereof. In such case the amount in respect of which the extension is granted shall be paid on or before the date of the expiration of the period of the extension.

(2) **LIQUIDATION OF PERSONAL HOLDING COMPANIES.**—At the request of the taxpayer, the Commissioner may (under regulations prescribed by the Commissioner with the approval of the Secretary) extend (for a period not to exceed five years from the date prescribed for the payment of the tax) the time for the payment of such portion of the amount determined as the tax by the taxpayer as is attributable to the short-term or long-term capital gain derived by the taxpayer from the receipt by him of property other than money upon the complete liquidation (as defined in section 115 (c)) of a corporation. This paragraph shall apply only if the corporation, for its taxable year preceding the year in which occurred the complete liquidation (or the first of the series of distributions referred to in such section), was, under the law applicable to such taxable year, a personal holding company or a foreign personal holding company. An extension under this paragraph shall be granted only if it is shown to the satisfaction of the Commissioner that the failure to grant it will result in undue hardship to the taxpayer. If an extension is granted the amount with respect to which the extension is granted shall be paid on or before the date of the expiration of the extension. If an extension is granted under this paragraph the Commissioner may require the taxpayer to furnish a bond in such amount, not exceeding double the amount with respect to which the extension is granted, and with such sureties as the Commissioner deems necessary, conditioned upon the payment of the amount with respect to which the extension is granted in accordance with the terms of the extension.

(d) **VOLUNTARY ADVANCE PAYMENT.**—A tax imposed by this title, or any installment thereof, may be paid, at the election of the taxpayer, prior to the date prescribed for its payment.

(e) **ADVANCE PAYMENT IN CASE OF JEOPARDY.**—For advance payment in case of jeopardy, see section 146.

(f) **TAX WITHHELD AT SOURCE.**—For requirement of withholding tax at the source in the case of nonresident aliens and foreign corporations, and in the case of so-called "tax-free covenant bonds", see sections 143 and 144.

(g) **FRACTIONAL PARTS OF CENT.**—In the payment of any tax under this title a fractional part of a cent shall be disregarded unless it amounts to one-half cent or more, in which case it shall be increased to 1 cent.

(h) **RECEIPTS.**—Every collector to whom any payment of any income tax is made shall upon request give to the person making such payment a full written or printed receipt therefor.

**SEC. 57. EXAMINATION OF RETURN AND DETERMINATION OF TAX.**

As soon as practicable after the return is filed the Commissioner shall examine it and shall determine the correct amount of the tax.

Default in payment of installment.

Extension of time for payment.  
General rule.

Liquidation of personal holding companies.

Portion of tax attributable to short-term or long-term capital gain.  
*Post*, p. 496.

Extension.

Surety bond.

Voluntary advance payment.

Jeopardy payment.  
*Post*, p. 513.

Tax withheld at source.

*Post*, pp. 511-513.

Fractional parts of a cent.

Receipts, on request.

Return and determination of tax.  
Examination.

Additions to tax and penalties.  
Negligence or fraud.  
*Post*, p. 540.

Criminal penalties.  
*Post*, p. 513.

Administrative proceedings.  
Nonpayments or overpayments.

Deficiencies.  
*Post*, p. 534.

Interest and additions.  
*Post*, p. 540.  
Transferees and fiduciaries.  
*Post*, p. 543.  
Overpayments.  
*Post*, p. 544.

Miscellaneous provisions.

Laws made applicable.

Administrative, etc., provisions extended.

Rules and regulations.  
Publication.

Taxes in lieu of taxes under 1936 Act.  
*Post*, p. 557.  
49 Stat. 1652, 1732.

Supplemental provisions.

Rates of tax.

Exemptions from tax on corporations.

Labor, agricultural, etc., organizations.  
Mutual savings banks.

Fraternal beneficiary societies, etc.

Domestic building and loan associations.

Mutual cemetery companies.

## SEC. 58. ADDITIONS TO TAX AND PENALTIES.

(a) For additions to the tax in case of negligence or fraud in the nonpayment of tax or failure to file return therefor, see Supplement M.

(b) For criminal penalties for nonpayment of tax or failure to file return therefor, see section 145.

## SEC. 59. ADMINISTRATIVE PROCEEDINGS.

For administrative proceedings in respect of the nonpayment or overpayment of a tax imposed by this title, see as follows:

(a) Supplement L, relating to assessment and collection of deficiencies.

(b) Supplement M, relating to interest and additions to tax.

(c) Supplement N, relating to claims against transferees and fiduciaries.

(d) Supplement O, relating to overpayments.

## Part VI—Miscellaneous Provisions

### SEC. 61. LAWS MADE APPLICABLE.

All administrative, special, or stamp provisions of law, including the law relating to the assessment of taxes, so far as applicable, are hereby extended to and made a part of this title.

### SEC. 62. RULES AND REGULATIONS.

The Commissioner, with the approval of the Secretary, shall prescribe and publish all needful rules and regulations for the enforcement of this title.

### SEC. 63. TAXES IN LIEU OF TAXES UNDER 1936 ACT.

The taxes imposed by this title and Title IA shall be in lieu of the taxes imposed by Titles I and IA of the Revenue Act of 1936, as amended.

## SUBTITLE C—SUPPLEMENTAL PROVISIONS

### Supplement A—Rates of Tax

[Supplementary to Subtitle B, Part I]

### SEC. 101. EXEMPTIONS FROM TAX ON CORPORATIONS.

The following organizations shall be exempt from taxation under this title—

(1) Labor, agricultural, or horticultural organizations;

(2) Mutual savings banks not having a capital stock represented by shares;

(3) Fraternal beneficiary societies, orders, or associations, (A) operating under the lodge system or for the exclusive benefit of the members of a fraternity itself operating under the lodge system; and (B) providing for the payment of life, sick, accident, or other benefits to the members of such society, order, or association or their dependents;

(4) Domestic building and loan associations substantially all the business of which is confined to making loans to members; and cooperative banks without capital stock organized and operated for mutual purposes and without profit;

(5) Cemetery companies owned and operated exclusively for the benefit of their members or which are not operated for profit;

and any corporation chartered solely for burial purposes as a cemetery corporation and not permitted by its charter to engage in any business not necessarily incident to that purpose, no part of the net earnings of which inures to the benefit of any private shareholder or individual;

(6) Corporations, and any community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private shareholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation;

Corporations, community chests, etc., for religious, scientific, etc., purposes.

(7) Business leagues, chambers of commerce, real-estate boards, or boards of trade, not organized for profit and no part of the net earnings of which inures to the benefit of any private shareholder or individual;

Business leagues, etc.

(8) Civic leagues or organizations not organized for profit but operated exclusively for the promotion of social welfare, or local associations of employees, the membership of which is limited to the employees of a designated person or persons in a particular municipality, and the net earnings of which are devoted exclusively to charitable, educational, or recreational purposes;

Civic leagues, employees' associations, etc.

(9) Clubs organized and operated exclusively for pleasure, recreation, and other nonprofitable purposes, no part of the net earnings of which inures to the benefit of any private shareholder;

Pleasure clubs, etc.

(10) Benevolent life insurance associations of a purely local character, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations; but only if 85 per centum or more of the income consists of amounts collected from members for the sole purpose of meeting losses and expenses;

Local life insurance, mutual ditch, etc., companies.

(11) Farmers' or other mutual hail, cyclone, casualty, or fire insurance companies or associations (including interinsurers and reciprocal underwriters) the income of which is used or held for the purpose of paying losses or expenses;

Farmers' mutual casualty insurance companies.

(12) Farmers', fruit growers', or like associations organized and operated on a cooperative basis (a) for the purpose of marketing the products of members or other producers, and turning back to them the proceeds of sales, less the necessary marketing expenses, on the basis of either the quantity or the value of the products furnished by them, or (b) for the purpose of purchasing supplies and equipment for the use of members or other persons, and turning over such supplies and equipment to them at actual cost, plus necessary expenses. Exemption shall not be denied any such association because it has capital stock, if the dividend rate of such stock is fixed at not to exceed the legal rate of interest in the State of incorporation or 8 per centum per annum, whichever is greater, on the value of the consideration for which the stock was issued, and if substantially all such stock (other than nonvoting preferred stock, the owners of which are not entitled or permitted to participate, directly or indirectly, in the profits of the association, upon dissolution or otherwise, beyond the fixed dividends) is owned by producers who market their products or purchase their supplies and equipment through the association; nor shall exemption be denied any such association because there is accumulated and maintained by it a reserve required by State law or

Farmers' cooperative associations.



Marketing products of nonmembers and making purchases.

Federal business disregarded.

Exempt corporations financing crop operations of members.

Corporations as trustees for exempted organizations.

Instrumentalities of the United States.

Voluntary employees' beneficiary associations.

Teachers' retirement fund associations.

Religious, etc., associations having a common treasury, etc.

a reasonable reserve for any necessary purpose. Such an association may market the products of nonmembers in an amount the value of which does not exceed the value of the products marketed for members, and may purchase supplies and equipment for nonmembers in an amount the value of which does not exceed the value of the supplies and equipment purchased for members, provided the value of the purchases made for persons who are neither members nor producers does not exceed 15 per centum of the value of all its purchases. Business done for the United States or any of its agencies shall be disregarded in determining the right to exemption under this paragraph;

(13) Corporations organized by an association exempt under the provisions of paragraph (12), or members thereof, for the purpose of financing the ordinary crop operations of such members or other producers, and operated in conjunction with such association. Exemption shall not be denied any such corporation because it has capital stock, if the dividend rate of such stock is fixed at not to exceed the legal rate of interest in the State of incorporation or 8 per centum per annum, whichever is greater, on the value of the consideration for which the stock was issued, and if substantially all such stock (other than nonvoting preferred stock, the owners of which are not entitled or permitted to participate, directly or indirectly, in the profits of the corporation, upon dissolution or otherwise, beyond the fixed dividends) is owned by such association, or members thereof; nor shall exemption be denied any such corporation because there is accumulated and maintained by it a reserve required by State law or a reasonable reserve for any necessary purpose;

(14) Corporations organized for the exclusive purpose of holding title to property, collecting income therefrom, and turning over the entire amount thereof, less expenses, to an organization which itself is exempt from the tax imposed by this title;

(15) Corporations organized under Act of Congress, if such corporations are instrumentalities of the United States and if, under such Act, as amended and supplemented, such corporations are exempt from Federal income taxes;

(16) Voluntary employees' beneficiary associations providing for the payment of life, sick, accident, or other benefits to the members of such association or their dependents, if (A) no part of their net earnings inures (other than through such payments) to the benefit of any private shareholder or individual, and (B) 85 per centum or more of the income consists of amounts collected from members for the sole purpose of making such payments and meeting expenses;

(17) Teachers' retirement fund associations of a purely local character, if (A) no part of their net earnings inures (other than through payment of retirement benefits) to the benefit of any private shareholder or individual, and (B) the income consists solely of amounts received from public taxation, amounts received from assessments upon the teaching salaries of members, and income in respect of investments;

(18) Religious or apostolic associations or corporations, if such associations or corporations have a common treasury or community treasury, even if such associations or corporations engage in business for the common benefit of the members, but only if the members thereof include (at the time of filing their returns) in their gross income their entire pro-rata shares, whether distributed or not, of the net income of the association or corporation for such year. Any amount so included in the gross income of a member shall be treated as a dividend received.

**SEC. 102. SURTAX ON CORPORATIONS IMPROPERLY ACCUMULATING SURPLUS.**

(a) **IMPOSITION OF TAX.**—There shall be levied, collected, and paid for each taxable year (in addition to other taxes imposed by this title) upon the net income of every corporation (other than a personal holding company as defined in Title IA or a foreign personal holding company as defined in Supplement P) if such corporation, however created or organized, is formed or availed of for the purpose of preventing the imposition of the surtax upon its shareholders or the shareholders of any other corporation, through the medium of permitting earnings or profits to accumulate instead of being divided or distributed, a surtax equal to the sum of the following:

25 per centum of the amount of the undistributed section 102 net income not in excess of \$100,000, plus

35 per centum of the undistributed section 102 net income in excess of \$100,000.

(b) **PRIMA FACIE EVIDENCE.**—The fact that any corporation is a mere holding or investment company shall be prima facie evidence of a purpose to avoid surtax upon shareholders.

(c) **EVIDENCE DETERMINATIVE OF PURPOSE.**—The fact that the earnings or profits of a corporation are permitted to accumulate beyond the reasonable needs of the business shall be determinative of the purpose to avoid surtax upon shareholders unless the corporation by the clear preponderance of the evidence shall prove to the contrary.

(d) **DEFINITIONS.**—As used in this title—

(1) **SECTION 102 NET INCOME.**—The term “section 102 net income” means the net income minus the sum of—

(A) **TAXES.**—Federal income, war-profits, and excess-profits taxes paid or accrued during the taxable year, to the extent not allowed as a deduction by section 23, but not including the tax imposed by this section or a corresponding section of a prior income-tax law.

(B) **DISALLOWED CHARITABLE, ETC., CONTRIBUTIONS.**—Contributions or gifts payment of which is made within the taxable year, not otherwise allowed as a deduction, to or for the use of donees described in section 23 (c), for the purposes therein specified.

(C) **DISALLOWED LOSSES.**—Losses from sales or exchanges of capital assets which are disallowed as a deduction by section 117 (d).

(2) **UNDISTRIBUTED SECTION 102 NET INCOME.**—The term “undistributed section 102 net income” means the section 102 net income minus the basic surtax credit provided in section 27 (b), but the computation of such credit under section 27 (b) (1) shall be made without its reduction by the amount of the credit provided in section 26 (a), relating to interest on certain obligations of the United States and Government corporations.

(e) **TAX ON PERSONAL HOLDING COMPANIES.**—For surtax on personal holding companies, see Title IA.

**SEC. 103. RATES OF TAX ON CITIZENS AND CORPORATIONS OF CERTAIN FOREIGN COUNTRIES.**

Whenever the President finds that, under the laws of any foreign country, citizens or corporations of the United States are being subjected to discriminatory or extraterritorial taxes, the President shall so proclaim and the rates of tax imposed by sections 11, 12, 13, 14, 201 (b), 204 (a), 207, 211 (a), 231 (a), and 362 shall, for the taxable year during which such proclamation is made and for each taxable year thereafter, be doubled in the case of each citizen and corporation of such foreign country; but the tax at such doubled rate

Surtax on corporations improperly accumulating surplus.  
Imposition of tax.

*Post*, p. 557.  
*Post*, p. 545.

Rates.

Evidence of purpose to avoid surtax upon shareholders.

Evidence determinative of purpose.

Definitions.

“Section 102 net income.”

Taxes.

*Ante*, p. 460.

Disallowed charitable, etc., contributions.

*Ante*, p. 463.

Disallowed losses.

*Post*, p. 502.

“Undistributed section 102 net income.”

*Ante*, p. 468.

*Ante*, p. 467.

Personal holding companies.  
*Post*, p. 557.

Discriminatory or extraterritorial taxes.  
Rates when citizens are subjected to, by foreign countries.  
*Ante*, p. 452; *post*, pp. 522, 524, 526, 527, 530, 553.

**Limitation.** shall be considered as imposed by section 11, 12, 13, 14, 201 (b), 204 (a), 207, 211 (a), 231 (a), or 362, as the case may be. In no case shall this section operate to increase the taxes imposed by such sections (computed without regard to this section) to an amount in excess of 80 per centum of the net income of the taxpayer. Whenever the President finds that the laws of any foreign country with respect to which the President has made a proclamation under the preceding provisions of this section have been modified so that discriminatory and extraterritorial taxes applicable to citizens and corporations of the United States have been removed, he shall so proclaim, and the provisions of this section providing for doubled rates of tax shall not apply to any citizen or corporation of such foreign country with respect to any taxable year beginning after such proclamation is made.

**Banks and trust companies.**

**Definition.**

38 Stat. 262.  
12 U. S. C. § 248 (k);  
Supp. III, § 248 (k).

**Rate of tax.**  
*Ante*, p. 457.

**Oil or gas properties.**

**Tax on sales.**

*Ante*, p. 453.

**Claims against United States involving acquisition of property.**  
**Tax imposed.**

*Ante*, p. 453.

**Computation of net income.**

**Gain or loss, determination of amount of, and recognition of.**

**Computation of gain or loss.**

*Post*, p. 493.

**Amount realized.**

#### SEC. 104. BANKS AND TRUST COMPANIES.

(a) **DEFINITION.**—As used in this section the term “bank” means a bank or trust company incorporated and doing business under the laws of the United States (including laws relating to the District of Columbia), of any State, or of any Territory, a substantial part of the business of which consists of receiving deposits and making loans and discounts, or of exercising fiduciary powers similar to those permitted to national banks under section 11 (k) of the Federal Reserve Act, as amended, and which is subject by law to supervision and examination by State, Territorial, or Federal authority having supervision over banking institutions.

(b) **RATE OF TAX.**—Banks shall be taxable under section 14 (d).

#### SEC. 105. SALE OF OIL OR GAS PROPERTIES.

In the case of a bona fide sale of any oil or gas property, or any interest therein, where the principal value of the property has been demonstrated by prospecting or exploration or discovery work done by the taxpayer, the portion of the tax imposed by section 12 attributable to such sale shall not exceed 30 per centum of the selling price of such property or interest.

#### SEC. 106. CLAIMS AGAINST UNITED STATES INVOLVING ACQUISITION OF PROPERTY.

In the case of amounts (other than interest) received by a taxpayer from the United States with respect to a claim against the United States involving the acquisition of property and remaining unpaid for more than fifteen years, the portion of the tax imposed by section 12 attributable to such receipt shall not exceed 30 per centum of the amount (other than interest) so received.

### Supplement B—Computation of Net Income

[Supplementary to Subtitle B, Part II]

#### SEC. 111. DETERMINATION OF AMOUNT OF, AND RECOGNITION OF, GAIN OR LOSS.

(a) **COMPUTATION OF GAIN OR LOSS.**—The gain from the sale or other disposition of property shall be the excess of the amount realized therefrom over the adjusted basis provided in section 113 (b) for determining gain, and the loss shall be the excess of the adjusted basis provided in such section for determining loss over the amount realized.

(b) **AMOUNT REALIZED.**—The amount realized from the sale or other disposition of property shall be the sum of any money received plus the fair market value of the property (other than money) received.

(c) **RECOGNITION OF GAIN OR LOSS.**—In the case of a sale or exchange, the extent to which the gain or loss determined under this section shall be recognized for the purposes of this title, shall be determined under the provisions of section 112.

Recognition of gain or loss.

(d) **INSTALLMENT SALES.**—Nothing in this section shall be construed to prevent (in the case of property sold under contract providing for payment in installments) the taxation of that portion of any installment payment representing gain or profit in the year in which such payment is received.

Installment sales.

## SEC. 112. RECOGNITION OF GAIN OR LOSS.

(a) **GENERAL RULE.**—Upon the sale or exchange of property the entire amount of the gain or loss, determined under section 111, shall be recognized, except as hereinafter provided in this section.

Recognition of gain or loss.

General rule.

### (b) EXCHANGES SOLELY IN KIND.—

Exchanges solely in kind.

(1) **PROPERTY HELD FOR PRODUCTIVE USE OR INVESTMENT.**—No gain or loss shall be recognized if property held for productive use in trade or business or for investment (not including stock in trade or other property held primarily for sale, nor stocks, bonds, notes, choses in action, certificates of trust or beneficial interest, or other securities or evidences of indebtedness or interest) is exchanged solely for property of a like kind to be held either for productive use in trade or business or for investment.

Property held for productive use or investment.

(2) **STOCK FOR STOCK OF SAME CORPORATION.**—No gain or loss shall be recognized if common stock in a corporation is exchanged solely for common stock in the same corporation, or if preferred stock in a corporation is exchanged solely for preferred stock in the same corporation.

Stock for stock of same corporation.

(3) **STOCK FOR STOCK ON REORGANIZATION.**—No gain or loss shall be recognized if stock or securities in a corporation a party to a reorganization are, in pursuance of the plan of reorganization, exchanged solely for stock or securities in such corporation or in another corporation a party to the reorganization.

Stock for stock on reorganization.

(4) **SAME—GAIN OF CORPORATION.**—No gain or loss shall be recognized if a corporation a party to a reorganization exchanges property, in pursuance of the plan of reorganization, solely for stock or securities in another corporation a party to the reorganization.

Property for stock of party to reorganization.

(5) **TRANSFER TO CORPORATION CONTROLLED BY TRANSFEROR.**—No gain or loss shall be recognized if property is transferred to a corporation by one or more persons solely in exchange for stock or securities in such corporation, and immediately after the exchange such person or persons are in control of the corporation; but in the case of an exchange by two or more persons this paragraph shall apply only if the amount of the stock and securities received by each is substantially in proportion to his interest in the property prior to the exchange.

Transfer to corporation controlled by transferor.

Limitation.

(6) **PROPERTY RECEIVED BY CORPORATION ON COMPLETE LIQUIDATION OF ANOTHER.**—No gain or loss shall be recognized upon the receipt by a corporation of property distributed in complete liquidation of another corporation. For the purposes of this paragraph a distribution shall be considered to be in complete liquidation only if—

Property received by corporation on complete liquidation of another.

(A) the corporation receiving such property was, on the date of the adoption of the plan of liquidation, and has continued to be at all times until the receipt of the property, the owner of stock (in such other corporation) possessing at least 80 per centum of the total combined voting power of all classes of stock entitled to vote and the owner of at least 80

Conditions prescribed.

per centum of the total number of shares of all other classes of stock (except nonvoting stock which is limited and preferred as to dividends), and was at no time on or after the date of the adoption of the plan of liquidation and until the receipt of the property the owner of a greater percentage of any class of stock than the percentage of such class owned at the time of the receipt of the property; and

No distribution before 1936.

(B) no distribution under the liquidation was made before the first day of the first taxable year of the corporation beginning after December 31, 1935; and either

Distribution a complete stock cancellation, etc.

(C) the distribution is by such other corporation in complete cancellation or redemption of all its stock, and the transfer of all the property occurs within the taxable year; in such case the adoption by the shareholders of the resolution under which is authorized the distribution of all the assets of such corporation in complete cancellation or redemption of all its stock, shall be considered an adoption of a plan of liquidation, even though no time for the completion of the transfer of the property is specified in such resolution; or

Distribution one of a series of distributions, etc.

(D) such distribution is one of a series of distributions by such other corporation in complete cancellation or redemption of all its stock in accordance with a plan of liquidation under which the transfer of all the property under the liquidation is to be completed within three years from the close of the taxable year during which is made the first of the series of distributions under the plan, except that if such transfer is not completed within such period, or if the taxpayer does not continue qualified under subparagraph (A) until the completion of such transfer, no distribution under the plan shall be considered a distribution in complete liquidation.

Period for completion.

Bond to insure income, etc., taxes.

If such transfer of all the property does not occur within the taxable year the Commissioner may require of the taxpayer such bond, or waiver of the statute of limitations on assessment and collection, or both, as he may deem necessary to insure, if the transfer of the property is not completed within such three-year period, or if the taxpayer does not continue qualified under subparagraph (A) until the completion of such transfer, the assessment and collection of all income, war-profits, and excess-profits taxes then imposed by law for such taxable year or subsequent taxable years, to the extent attributable to property so received. A distribution otherwise constituting a distribution in complete liquidation within the meaning of this paragraph shall not be considered as not constituting such a distribution merely because it does not constitute a distribution or liquidation within the meaning of the corporate law under which the distribution is made; and for the purposes of this paragraph a transfer of property of such other corporation to the taxpayer shall not be considered as not constituting a distribution (or one of a series of distributions) in complete cancellation or redemption of all the stock of such other corporation, merely because the carrying out of the plan involves (i) the transfer under the plan to the taxpayer by such other corporation of property, not attributable to shares owned by the taxpayer, upon an exchange described in paragraph (4) of this subsection, and (ii) the complete cancellation or redemption under the plan, as a result of exchanges described in paragraph (3) of this subsection, of the shares not owned by the taxpayer.

Distribution in complete liquidation but not within meaning of corporate law.

(7) ELECTION AS TO RECOGNITION OF GAIN IN CERTAIN CORPORATE LIQUIDATIONS.—

(A) GENERAL RULE.—In the case of property distributed in complete liquidation of a domestic corporation, if—

(i) the liquidation is made in pursuance of a plan of liquidation adopted after the date of the enactment of this Act, whether the taxable year of the corporation began on, before, or after January 1, 1938; and

(ii) the distribution is in complete cancellation or redemption of all the stock, and the transfer of all the property under the liquidation occurs within the month of December, 1938—

then in the case of each qualified electing shareholder (as defined in subparagraph (C)) gain upon the shares owned by him at the time of the adoption of the plan of liquidation shall be recognized only to the extent provided in subparagraphs (E) and (F).

(B) EXCLUDED CORPORATION.—The term “excluded corporation” means a corporation which at any time between April 9, 1938, and the date of the adoption of the plan of liquidation, both dates inclusive, was the owner of stock possessing 50 per centum or more of the total combined voting power of all classes of stock entitled to vote on the adoption of such plan.

(C) QUALIFIED ELECTING SHAREHOLDERS.—The term “qualified electing shareholder” means a shareholder (other than an excluded corporation) of any class of stock (whether or not entitled to vote on the adoption of the plan of liquidation) who is a shareholder at the time of the adoption of such plan, and whose written election to have the benefits of subparagraph (A) has been made and filed in accordance with subparagraph (D), but—

(i) in the case of a shareholder other than a corporation, only if written elections have been so filed by shareholders (other than corporations) who at the time of the adoption of the plan of liquidation are owners of stock possessing at least 80 per centum of the total combined voting power (exclusive of voting power possessed by stock owned by corporations) of all classes of stock entitled to vote on the adoption of such plan of liquidation; or

(ii) in the case of a shareholder which is a corporation, only if written elections have been so filed by corporate shareholders (other than an excluded corporation) which at the time of the adoption of such plan of liquidation are owners of stock possessing at least 80 per centum of the total combined voting power (exclusive of voting power possessed by stock owned by an excluded corporation and by shareholders who are not corporations) of all classes of stock entitled to vote on the adoption of such plan of liquidation.

(D) MAKING AND FILING OF ELECTIONS.—The written elections referred to in subparagraph (C) must be made and filed in such manner as to be not in contravention of regulations prescribed by the Commissioner with the approval of the Secretary. The filing must be within thirty days after the adoption of the plan of liquidation, and may be by the liquidating corporation or by the shareholder.

Election as to recognition of gain in certain corporate liquidations.  
General rule.

“Excluded corporation” defined.

“Qualified electing shareholder” defined.

Shareholder other than a corporation.

Where shareholder is a corporation.

Making and filing of elections.

Time limitation.

Noncorporate share-  
holders.

(E) NONCORPORATE SHAREHOLDERS.—In the case of a qualified electing shareholder other than a corporation—

(i) There shall be recognized, and taxed as a dividend, so much of the gain as is not in excess of his ratable share of the earnings and profits of the corporation accumulated after February 28, 1913, such earnings and profits to be determined as of December 31, 1938, but without diminution by reason of distributions made during the month of December, 1938; and

(ii) There shall be recognized, and taxed as short-term or long-term capital gain, as the case may be, so much of the remainder of the gain as is not in excess of the amount by which the value of that portion of the assets received by him which consists of money, or of stock or securities acquired by the corporation after April 9, 1938, exceeds his ratable share of such earnings and profits.

Corporate share-  
holders.

(F) CORPORATE SHAREHOLDERS.—In the case of a qualified electing shareholder which is a corporation the gain shall be recognized only to the extent of the greater of the two following—

(i) The portion of the assets received by it which consists of money, or of stock or securities acquired by the liquidating corporation after April 9, 1938; or

(ii) Its ratable share of the earnings and profits of the liquidating corporation accumulated after February 28, 1913, such earnings and profits to be determined as of December 31, 1938, but without diminution by reason of distributions made during the month of December, 1938.

Exchanges and distributions in obedience to orders of Securities and Exchange Commission.  
*Post*, p. 553.

(8) EXCHANGES AND DISTRIBUTIONS IN OBEDIENCE TO ORDERS OF SECURITIES AND EXCHANGE COMMISSION.—In the case of any exchange or distribution described in section 371, no gain or loss shall be recognized to the extent specified in such section with respect to such exchange or distribution.

Gain from exchanges not solely in kind.  
Recognition of.

(c) GAIN FROM EXCHANGES NOT SOLELY IN KIND.—

(1) If an exchange would be within the provisions of subsection (b) (1), (2), (3), or (5) of this section if it were not for the fact that the property received in exchange consists not only of property permitted by such paragraph to be received without the recognition of gain, but also of other property or money, then the gain, if any, to the recipient shall be recognized, but in an amount not in excess of the sum of such money and the fair market value of such other property.

*Ante*, p. 485.

(2) If a distribution made in pursuance of a plan of reorganization is within the provisions of paragraph (1) of this subsection but has the effect of the distribution of a taxable dividend, then there shall be taxed as a dividend to each distributee such an amount of the gain recognized under paragraph (1) as is not in excess of his ratable share of the undistributed earnings and profits of the corporation accumulated after February 28, 1913. The remainder, if any, of the gain recognized under paragraph

Distribution on reorganization having effect of taxable dividend.

(1) shall be taxed as a gain from the exchange of property.

Gain of corporation.  
*Ante*, p. 485.

(d) SAME—GAIN OF CORPORATION.—If an exchange would be within the provisions of subsection (b) (4) of this section if it were not for the fact that the property received in exchange consists not only of stock or securities permitted by such paragraph to be received without the recognition of gain, but also of other property or money, then—

(1) If the corporation receiving such other property or money distributes it in pursuance of the plan of reorganization, no gain to the corporation shall be recognized from the exchange, but

If distributed on reorganization.

(2) If the corporation receiving such other property or money does not distribute it in pursuance of the plan of reorganization, the gain, if any, to the corporation shall be recognized, but in an amount not in excess of the sum of such money and the fair market value of such other property so received, which is not so distributed.

If not distributed.

(e) **LOSS FROM EXCHANGES NOT SOLELY IN KIND.**—If an exchange would be within the provisions of subsection (b) (1) to (5), inclusive, of this section if it were not for the fact that the property received in exchange consists not only of property permitted by such paragraph to be received without the recognition of gain or loss, but also of other property or money, then no loss from the exchange shall be recognized.

Loss from exchanges not solely in kind.

(f) **INVOLUNTARY CONVERSIONS.**—If property (as a result of its destruction in whole or in part, theft or seizure, or an exercise of the power of requisition or condemnation, or the threat or imminence thereof) is compulsorily or involuntarily converted into property similar or related in service or use to the property so converted, or into money which is forthwith in good faith, under regulations prescribed by the Commissioner with the approval of the Secretary, expended in the acquisition of other property similar or related in service or use to the property so converted, or in the acquisition of control of a corporation owning such other property, or in the establishment of a replacement fund, no gain or loss shall be recognized. If any part of the money is not so expended, the gain, if any, shall be recognized, but in an amount not in excess of the money which is not so expended.

Involuntary conversions.

(g) **DEFINITION OF REORGANIZATION.**—As used in this section and section 113—

Definitions.

(1) The term "reorganization" means (A) a statutory merger or consolidation, or (B) the acquisition by one corporation in exchange solely for all or a part of its voting stock: of at least 80 per centum of the voting stock and at least 80 per centum of the total number of shares of all other classes of stock of another corporation; or of substantially all the properties of another corporation, or (C) a transfer by a corporation of all or a part of its assets to another corporation if immediately after the transfer the transferor or its shareholders or both are in control of the corporation to which the assets are transferred, or (D) a recapitalization, or (E) a mere change in identity, form, or place of organization, however effected.

"Reorganization."

(2) The term "a party to a reorganization" includes a corporation resulting from a reorganization and includes both corporations in the case of a reorganization resulting from the acquisition by one corporation of stock or properties of another.

"A party to a reorganization."

(h) **DEFINITION OF CONTROL.**—As used in this section the term "control" means the ownership of stock possessing at least 80 per centum of the total combined voting power of all classes of stock entitled to vote and at least 80 per centum of the total number of shares of all other classes of stock of the corporation.

"Control."

(i) **FOREIGN CORPORATIONS.**—In determining the extent to which gain shall be recognized in the case of any of the exchanges described in subsection (b) (3), (4), (5), or (6), or described in so much of subsection (c) as refers to subsection (b) (3) or (5), or described in subsection (d), a foreign corporation shall not be considered as a corporation unless, prior to such exchange, it has been established

Foreign corporations.  
*Ante*, pp. 485, 488.



to the satisfaction of the Commissioner that such exchange is not in pursuance of a plan having as one of its principal purposes the avoidance of Federal income taxes.

(j) **INSTALLMENT OBLIGATIONS.**—For nonrecognition of gain or loss in the case of installment obligations, see section 44 (d).

### SEC. 113. ADJUSTED BASIS FOR DETERMINING GAIN OR LOSS.

(a) **BASIS (UNADJUSTED) OF PROPERTY.**—The basis of property shall be the cost of such property; except that—

(1) **INVENTORY VALUE.**—If the property should have been included in the last inventory, the basis shall be the last inventory value thereof.

(2) **GIFTS AFTER DECEMBER 31, 1920.**—If the property was acquired by gift after December 31, 1920, the basis shall be the same as it would be in the hands of the donor or the last preceding owner by whom it was not acquired by gift, except that for the purpose of determining loss the basis shall be the basis so determined or the fair market value of the property at the time of the gift, whichever is lower. If the facts necessary to determine the basis in the hands of the donor or the last preceding owner are unknown to the donee, the Commissioner shall, if possible, obtain such facts from such donor or last preceding owner, or any other person cognizant thereof. If the Commissioner finds it impossible to obtain such facts, the basis in the hands of such donor or last preceding owner shall be the fair market value of such property as found by the Commissioner as of the date or approximate date at which, according to the best information that the Commissioner is able to obtain, such property was acquired by such donor or last preceding owner.

(3) **TRANSFER IN TRUST AFTER DECEMBER 31, 1920.**—If the property was acquired after December 31, 1920, by a transfer in trust (other than by a transfer in trust by a bequest or devise) the basis shall be the same as it would be in the hands of the grantor, increased in the amount of gain or decreased in the amount of loss recognized to the grantor upon such transfer under the law applicable to the year in which the transfer was made.

(4) **GIFT OR TRANSFER IN TRUST BEFORE JANUARY 1, 1921.**—If the property was acquired by gift or transfer in trust on or before December 31, 1920, the basis shall be the fair market value of such property at the time of such acquisition.

(5) **PROPERTY TRANSMITTED AT DEATH.**—If the property was acquired by bequest, devise, or inheritance, or by the decedent's estate from the decedent, the basis shall be the fair market value of such property at the time of such acquisition. In the case of property transferred in trust to pay the income for life to or upon the order or direction of the grantor, with the right reserved to the grantor at all times prior to his death to revoke the trust, the basis of such property in the hands of the persons entitled under the terms of the trust instrument to the property after the grantor's death shall, after such death, be the same as if the trust instrument had been a will executed on the day of the grantor's death. For the purpose of this paragraph property passing without full and adequate consideration under a general power of appointment exercised by will shall be deemed to be property passing from the individual exercising such power by bequest or devise. If the property was acquired by bequest, devise, or inheritance, or by the decedent's estate from the decedent, and if the decedent died after August 26, 1937, and if the property consists of stock or securities of a foreign corporation,

Installment obligations.  
*Ante*, p. 474.

Adjusted basis for determining gain or loss.  
Basis (unadjusted) of property.  
Inventory value.

Gifts after December 31, 1920.

Determination of loss.

Fair market value.

Transfer in trust after December 31, 1920.

Gift or transfer in trust before January 1, 1921.

Property transmitted at death.

Transfer in trust with right to revoke.

Without full consideration under general power of appointment.

which with respect to its taxable year next preceding the date of the decedent's death was, under the law applicable to such year, a foreign personal holding company, then the basis shall be the fair market value of such property at the time of such acquisition or the basis in the hands of the decedent, whichever is lower.

(6) **TAX-FREE EXCHANGES GENERALLY.**—If the property was acquired, after February 28, 1913, upon an exchange described in section 112 (b) to (e), inclusive, the basis (except as provided in paragraph (15), (17), or (18) of this subsection) shall be the same as in the case of the property exchanged, decreased in the amount of any money received by the taxpayer and increased in the amount of gain or decreased in the amount of loss to the taxpayer that was recognized upon such exchange under the law applicable to the year in which the exchange was made. If the property so acquired consisted in part of the type of property permitted by section 112 (b) to be received without the recognition of gain or loss, and in part of other property, the basis provided in this paragraph shall be allocated between the properties (other than money) received, and for the purpose of the allocation there shall be assigned to such other property an amount equivalent to its fair market value at the date of the exchange. This paragraph shall not apply to property acquired by a corporation by the issuance of its stock or securities as the consideration in whole or in part for the transfer of the property to it.

(7) **TRANSFERS TO CORPORATION.**—If the property was acquired—

(A) after December 31, 1917, and in a taxable year beginning before January 1, 1936, by a corporation in connection with a reorganization, and immediately after the transfer an interest or control in such property of 50 per centum or more remained in the same persons or any of them, or

(B) in a taxable year beginning after December 31, 1935, by a corporation in connection with a reorganization, then the basis shall be the same as it would be in the hands of the transferor, increased in the amount of gain or decreased in the amount of loss recognized to the transferor upon such transfer under the law applicable to the year in which the transfer was made. This paragraph shall not apply if the property acquired consists of stock or securities in a corporation a party to the reorganization, unless acquired by the issuance of stock or securities of the transferee as the consideration in whole or in part for the transfer.

(8) **PROPERTY ACQUIRED BY ISSUANCE OF STOCK OR AS PAID-IN SURPLUS.**—If the property was acquired after December 31, 1920, by a corporation—

(A) by the issuance of its stock or securities in connection with a transaction described in section 112 (b) (5) (including, also, cases where part of the consideration for the transfer of such property to the corporation was property or money, in addition to such stock or securities), or

(B) as paid-in surplus or as a contribution to capital, then the basis shall be the same as it would be in the hands of the transferor, increased in the amount of gain or decreased in the amount of loss recognized to the transferor upon such transfer under the law applicable to the year in which the transfer was made.

(9) **INVOLUNTARY CONVERSION.**—If the property was acquired, after February 28, 1913, as a result of a compulsory or involuntary conversion described in section 112 (f), the basis shall be

Tax-free exchanges generally.  
Property acquired upon an exchange.  
*Ante*, pp. 485-489, *post*, p. 493.

Partly by exchange and partly by other property.  
*Ante*, p. 485.

Exception.

Transfers to corporation.

Exception.

Property acquired by issuance of stock or as paid-in surplus.

*Ante*, p. 485.

Basis.

Involuntary conversion.

*Ante*, p. 489.

the same as in the case of the property so converted, decreased in the amount of any money received by the taxpayer which was not expended in accordance with the provisions of law (applicable to the year in which such conversion was made) determining the taxable status of the gain or loss upon such conversion, and increased in the amount of gain or decreased in the amount of loss to the taxpayer recognized upon such conversion under the law applicable to the year in which such conversion was made.

Wash sales of stock.

*Post*, p. 503.

Basis.

(10) **WASH SALES OF STOCK.**—If the property consists of stock or securities the acquisition of which (or the contract or option to acquire which) resulted in the nondeductibility (under section 118 of this Act or corresponding provisions of prior income tax laws, relating to wash sales) of the loss from the sale or other disposition of substantially identical stock or securities, then the basis shall be the basis of the stock or securities so sold or disposed of, increased or decreased, as the case may be, by the difference, if any, between the price at which the property was acquired and the price at which such substantially identical stock or securities were sold or otherwise disposed of.

Property acquired during affiliation.

Determination of basis.

"Period of affiliation" defined.

(11) **PROPERTY ACQUIRED DURING AFFILIATION.**—In the case of property acquired by a corporation, during a period of affiliation, from a corporation with which it was affiliated, the basis of such property, after such period of affiliation, shall be determined, in accordance with regulations prescribed by the Commissioner with the approval of the Secretary, without regard to inter-company transactions in respect of which gain or loss was not recognized. For the purposes of this paragraph, the term "period of affiliation" means the period during which such corporations were affiliated (determined in accordance with the law applicable thereto) but does not include any taxable year beginning on or after January 1, 1922, unless a consolidated return was made, nor any taxable year after the taxable year 1928. The basis in case of property acquired by a corporation during any period, in the taxable year 1929 or any subsequent taxable year, in respect of which a consolidated return is made by such corporation under section 141 of this Act or the Revenue Act of 1928 or the Revenue Act of 1932 or the Revenue Act of 1934 or the Revenue Act of 1936, shall be determined in accordance with regulations prescribed under section 141 (b) of this Act or the Revenue Act of 1928 or the Revenue Act of 1932 or the Revenue Act of 1934 or the Revenue Act of 1936. The basis in the case of property held by a corporation during any period, in the taxable year 1929 or any subsequent taxable year, in respect of which a consolidated return is made by such corporation under section 141 of this Act or the Revenue Act of 1928 or the Revenue Act of 1932 or the Revenue Act of 1934 or the Revenue Act of 1936, shall be adjusted in respect of any items relating to such period, in accordance with regulations prescribed under section 141 (b) of this Act or the Revenue Act of 1928 or the Revenue Act of 1932 or the Revenue Act of 1934 or the Revenue Act of 1936, applicable to such period.

Basis in 1929 and any subsequent year.

*Post*, p. 503.

45 Stat. 831.

47 Stat. 213.

48 Stat. 721.

49 Stat. 1684.

Adjustments authorized.

Basis established by Revenue Act of 1932.

45 Stat. 819.

Partnership property acquired after February 28, 1913.

(12) **BASIS ESTABLISHED BY REVENUE ACT OF 1932.**—If the property was acquired, after February 28, 1913, in any taxable year beginning prior to January 1, 1934, and the basis thereof, for the purposes of the Revenue Act of 1932 was prescribed by section 113 (a) (6), (7), or (9) of such Act, then for the purposes of this Act the basis shall be the same as the basis therein prescribed in the Revenue Act of 1932.

(13) **PARTNERSHIPS.**—If the property was acquired, after February 28, 1913, by a partnership and the basis is not otherwise

determined under any other paragraph of this subsection, then the basis shall be the same as it would be in the hands of the transferor, increased in the amount of gain or decreased in the amount of loss recognized to the transferor upon such transfer under the law applicable to the year in which the transfer was made. If the property was distributed in kind by a partnership to any partner, the basis of such property in the hands of the partner shall be such part of the basis in his hands of his partnership interest as is properly allocable to such property.

(14) **PROPERTY ACQUIRED BEFORE MARCH 1, 1913.**—In the case of property acquired before March 1, 1913, if the basis otherwise determined under this subsection, adjusted (for the period prior to March 1, 1913) as provided in subsection (b), is less than the fair market value of the property as of March 1, 1913, then the basis for determining gain shall be such fair market value. In determining the fair market value of stock in a corporation as of March 1, 1913, due regard shall be given to the fair market value of the assets of the corporation as of that date.

(15) **PROPERTY RECEIVED BY A CORPORATION ON COMPLETE LIQUIDATION OF ANOTHER.**—If the property was received by a corporation upon a distribution in complete liquidation of another corporation within the meaning of section 112 (b) (6), then the basis shall be the same as it would be in the hands of the transferor. The basis of property with respect to which election has been made in pursuance of the last sentence of section 113 (a) (15) of the Revenue Act of 1936, as amended, shall, in the hands of the corporation making such election, be the basis prescribed in the Revenue Act of 1934, as amended.

(16) **BASIS ESTABLISHED BY REVENUE ACT OF 1934.**—If the property was acquired, after February 28, 1913, in any taxable year beginning prior to January 1, 1936, and the basis thereof, for the purposes of the Revenue Act of 1934 was prescribed by section 113 (a) (6), (7), or (8) of such Act, then for the purposes of this Act the basis shall be the same as the basis therein prescribed in the Revenue Act of 1934.

(17) **PROPERTY ACQUIRED IN CONNECTION WITH EXCHANGES AND DISTRIBUTIONS IN OBEDIENCE TO CERTAIN ORDERS OF SECURITIES AND EXCHANGE COMMISSION.**—If the property was acquired in any manner described in section 372, the basis shall be that prescribed in such section with respect to such property.

(18) **PROPERTY RECEIVED IN CERTAIN CORPORATE LIQUIDATIONS.**—If the property was acquired by a shareholder in the liquidation of a corporation in cancellation or redemption of stock with respect to which gain was realized, but with respect to which, as the result of an election made by him under paragraph (7) of section 112 (b), the extent to which gain was recognized was determined under such paragraph, then the basis shall be the same as the basis of such stock cancelled or redeemed in the liquidation, decreased in the amount of any money received by him, and increased in the amount of gain recognized to him.

(b) **ADJUSTED BASIS.**—The adjusted basis for determining the gain or loss from the sale or other disposition of property, whenever acquired, shall be the basis determined under subsection (a), adjusted as hereinafter provided.

(1) **GENERAL RULE.**—Proper adjustment in respect of the property shall in all cases be made—

(A) for expenditures, receipts, losses, or other items, properly chargeable to capital account, including taxes and other carrying charges on unimproved and unproductive real property, but no such adjustment shall be made for taxes

Basis.

Distribution by partnership to partners.

Property acquired before March 1, 1913.

Determination of fair market value of stock.

Property received by a corporation on complete liquidation of another.  
*Ante*, p. 485.

Basis established by Revenue Act of 1936.  
49 Stat. 1684.

48 Stat. 680.

Basis established by Revenue Act of 1934.

48 Stat. 706.

Property acquired in connection with exchanges and distributions in obedience to order of Securities and Exchange Commission.  
*Post*, p. 555.

Property received in certain corporate liquidations.

*Ante*, p. 487.

Adjusted basis for determining gain or loss.

*Ante*, p. 490.

General rule.

Expenditures, etc., chargeable to capital account.

Restriction

or other carrying charges for which deductions have been taken by the taxpayer in determining net income for the taxable year or prior taxable years;

Depletion, etc.

(B) in respect of any period since February 28, 1913, for exhaustion, wear and tear, obsolescence, amortization, and depletion, to the extent allowed (but not less than the amount allowable) under this Act or prior income tax laws. Where for any taxable year prior to the taxable year 1932 the depletion allowance was based on discovery value or a percentage of income, then the adjustment for depletion for such year shall be based on the depletion which would have been allowable for such year if computed without reference to discovery value or a percentage of income;

Any period prior to March 1, 1913.

(C) in respect of any period prior to March 1, 1913, for exhaustion, wear and tear, obsolescence, amortization, and depletion, to the extent sustained;

Stock distribution previously made, tax-free, etc.

(D) in the case of stock (to the extent not provided for in the foregoing subparagraphs) for the amount of distributions previously made which, under the law applicable to the year in which the distribution was made, either were tax-free or were applicable in reduction of basis (not including distributions made by a corporation, which was classified as a personal service corporation under the provisions of the Revenue Act of 1918 or 1921, out of its earnings or profits which were taxable in accordance with the provisions of section 218 of the Revenue Act of 1918 or 1921);

40 Stat. 1070; 42 Stat. 245.

(E) to the extent provided in section 337 (f) in the case of the stock of United States shareholders in a foreign personal holding company;

Stock of U. S. shareholders in foreign personal holding company.

Post, p. 550.  
Shareholder's consent.  
Ante, p. 472.

(F) to the extent provided in section 28 (h) in the case of amounts specified in a shareholder's consent made under section 28.

"Substituted basis" defined.

(2) **SUBSTITUTED BASIS.**—The term "substituted basis" as used in this subsection means a basis determined under any provision of subsection (a) of this section or under any corresponding provision of a prior income tax law, providing that the basis shall be determined—

(A) by reference to the basis in the hands of a transferor, donor, or grantor, or

(B) by reference to other property held at any time by the person for whom the basis is to be determined.

Adjustments.

Whenever it appears that the basis of property in the hands of the taxpayer is a substituted basis, then the adjustments provided in paragraph (1) of this subsection shall be made after first making in respect of such substituted basis proper adjustments of a similar nature in respect of the period during which the property was held by the transferor, donor, or grantor, or during which the other property was held by the person for whom the basis is to be determined. A similar rule shall be applied in the case of a series of substituted bases.

Depreciation and depletion.

Basis for depreciation.

Ante, p. 493.

#### SEC. 114. BASIS FOR DEPRECIATION AND DEPLETION.

(a) **BASIS FOR DEPRECIATION.**—The basis upon which exhaustion, wear and tear, and obsolescence are to be allowed in respect of any property shall be the adjusted basis provided in section 113 (b) for the purpose of determining the gain upon the sale or other disposition of such property.

## (b) BASIS FOR DEPLETION.—

(1) GENERAL RULE.—The basis upon which depletion is to be allowed in respect of any property shall be the adjusted basis provided in section 113 (b) for the purpose of determining the gain upon the sale or other disposition of such property, except as provided in paragraphs (2), (3), and (4) of this subsection.

(2) DISCOVERY VALUE IN CASE OF MINES.—In the case of mines (other than metal, coal, or sulphur mines) discovered by the taxpayer after February 28, 1913, the basis for depletion shall be the fair market value of the property at the date of discovery or within thirty days thereafter, if such mines were not acquired as the result of purchase of a proven tract or lease, and if the fair market value of the property is materially disproportionate to the cost. The depletion allowance under section 23 (m) based on discovery value provided in this paragraph shall not exceed 50 per centum of the net income of the taxpayer (computed without allowance for depletion) from the property upon which the discovery was made, except that in no case shall the depletion allowance under section 23 (m) be less than it would be if computed without reference to discovery value. Discoveries shall include minerals in commercial quantities contained within a vein or deposit discovered in an existing mine or mining tract by the taxpayer after February 28, 1913, if the vein or deposit thus discovered was not merely the uninterrupted extension of a continuing commercial vein or deposit already known to exist, and if the discovered minerals are of sufficient value and quantity that they could be separately mined and marketed at a profit.

(3) PERCENTAGE DEPLETION FOR OIL AND GAS WELLS.—In the case of oil and gas wells the allowance for depletion under section 23 (m) shall be 27½ per centum of the gross income from the property during the taxable year, excluding from such gross income an amount equal to any rents or royalties paid or incurred by the taxpayer in respect of the property. Such allowance shall not exceed 50 per centum of the net income of the taxpayer (computed without allowance for depletion) from the property, except that in no case shall the depletion allowance under section 23 (m) be less than it would be if computed without reference to this paragraph.

(4) PERCENTAGE DEPLETION FOR COAL AND METAL MINES AND SULPHUR.—The allowance for depletion under section 23 (m) shall be, in the case of coal mines, 5 per centum, in the case of metal mines, 15 per centum, and, in the case of sulphur mines or deposits, 23 per centum, of the gross income from the property during the taxable year, excluding from such gross income an amount equal to any rents or royalties paid or incurred by the taxpayer in respect of the property. Such allowance shall not exceed 50 per centum of the net income of the taxpayer (computed without allowance for depletion) from the property. A taxpayer making his first return under this title in respect of a property shall state whether he elects to have the depletion allowance for such property for the taxable year for which the return is made computed with or without regard to percentage depletion, and the depletion allowance in respect of such property for such year shall be computed according to the election thus made. If the taxpayer fails to make such statement in the return, the depletion allowance for such property for such year shall be computed without reference to percentage depletion. The method, determined as above, of computing the depletion

Basis for depletion.  
General rule.

*Ante*, p. 493.

Discovery value in  
case of mines.

Maximum allow-  
ance.  
*Ante*, p. 462.

Minerals included.

Percentage depletion  
for oil and gas  
wells.

Maximum allow-  
ance.

Percentage depletion  
for coal and metal  
mines and sulphur.

Maximum allow-  
ance.

Election by tax-  
payer as to computa-  
tion.

Computation, if no  
statement.

allowance shall be applied in the case of the property for all taxable years in which it is in the hands of such taxpayer, or of any other person if the basis of the property (for determining gain) in his hands is, under section 113, determined by reference to the basis in the hands of such taxpayer, either directly or through one or more substituted bases, as defined in that section. The above right of election shall be subject to the qualification that this paragraph shall, for the purpose of determining whether the method of computing the depletion allowance follows the property, be considered a continuation of section 114 (b) (4) of the Revenue Act of 1934 and the Revenue Act of 1936, and as giving no new election in cases where either of such sections would, if applied, give no new election.

*Ante*, p. 490.

Qualification.

48 Stat. 710; 49 Stat. 1687.

Distributions by corporations.

"Dividend" defined. *Post*, pp. 523, 527.

Source of distributions.

Accumulations, etc., before March 1, 1913, exemption.

*Ante*, p. 490.

Distributions in liquidation.

Gain or loss to distributee. *Ante*, p. 484.

*Post*, p. 500.

"Complete liquidation" construed.

Amounts distributed in partial liquidation.

#### SEC. 115. DISTRIBUTIONS BY CORPORATIONS.

(a) DEFINITION OF DIVIDEND.—The term "dividend" when used in this title (except in section 203 (a) (3) and section 207 (c) (1), relating to insurance companies) means any distribution made by a corporation to its shareholders, whether in money or in other property, (1) out of its earnings or profits accumulated after February 28, 1913, or (2) out of the earnings or profits of the taxable year (computed as of the close of the taxable year without diminution by reason of any distributions made during the taxable year), without regard to the amount of the earnings and profits at the time the distribution was made.

(b) SOURCE OF DISTRIBUTIONS.—For the purposes of this Act every distribution is made out of earnings or profits to the extent thereof, and from the most recently accumulated earnings or profits. Any earnings or profits accumulated, or increase in value of property accrued, before March 1, 1913, may be distributed exempt from tax, after the earnings and profits accumulated after February 28, 1913, have been distributed, but any such tax-free distribution shall be applied against and reduce the adjusted basis of the stock provided in section 113.

(c) DISTRIBUTIONS IN LIQUIDATION.—Amounts distributed in complete liquidation of a corporation shall be treated as in full payment in exchange for the stock, and amounts distributed in partial liquidation of a corporation shall be treated as in part or full payment in exchange for the stock. The gain or loss to the distributee resulting from such exchange shall be determined under section 111, but shall be recognized only to the extent provided in section 112. Despite the provisions of section 117, the gain so recognized shall be considered as a short-term capital gain, except in the case of amounts distributed in complete liquidation. For the purpose of the preceding sentence, "complete liquidation" includes any one of a series of distributions made by a corporation in complete cancellation or redemption of all of its stock in accordance with a bona fide plan of liquidation and under which the transfer of the property under the liquidation is to be completed within a time specified in the plan, not exceeding, from the close of the taxable year during which is made the first of the series of distributions under the plan, (1) three years, if the first of such series of distributions is made in a taxable year beginning after December 31, 1937, or (2) two years, if the first of such series of distributions was made in a taxable year beginning before January 1, 1938. In the case of amounts distributed (whether before January 1, 1938, or on or after such date) in partial liquidation (other than a distribution to which the provisions of subsection (h) of this section are applicable) the part of such distribution which is properly chargeable to capital account shall not be considered a distribu-

tion of earnings or profits. If any distribution in complete liquidation (including any one of a series of distributions made by the corporation in complete cancellation or redemption of all its stock) is made by a foreign corporation which with respect to any taxable year beginning on or before, and ending after, August 26, 1937, was a foreign personal holding company, and with respect to which a United States group (as defined in section 331 (a) (2)) existed after August 26, 1937, and before January 1, 1938, then, despite the foregoing provisions of this subsection, the gain recognized resulting from such distribution shall be considered as a short-term capital gain—

Distribution in complete liquidation made by foreign personal holding company.

*Post*, p. 546.

(1) Unless such liquidation is completed before July 1, 1938; or

Exceptions.

(2) Unless (if it is established to the satisfaction of the Commissioner by evidence submitted before July 1, 1938, that due to the laws of the foreign country in which such corporation is incorporated, or for other reason, it is or will be impossible to complete the liquidation of such company before such date) the liquidation is completed on or before such date as the Commissioner may find reasonable, but not later than December 31, 1938.

(d) **OTHER DISTRIBUTIONS FROM CAPITAL.**—If any distribution (not in partial or complete liquidation) made by a corporation to its shareholders is not out of increase in value of property accrued before March 1, 1913, and is not a dividend, then the amount of such distribution shall be applied against and reduce the adjusted basis of the stock provided in section 113, and if in excess of such basis, such excess shall be taxable in the same manner as a gain from the sale or exchange of property.

Other distributions from capital.

*Ante*, p. 490.

(e) **DISTRIBUTIONS BY PERSONAL SERVICE CORPORATIONS.**—Any distribution made by a corporation, which was classified as a personal service corporation under the provisions of the Revenue Act of 1918 or the Revenue Act of 1921, out of its earnings or profits which were taxable in accordance with the provisions of section 218 of the Revenue Act of 1918 or section 218 of the Revenue Act of 1921, shall be exempt from tax to the distributees.

Distributions by personal service corporations.

40 Stat. 1070; 42 Stat. 245.

(f) **STOCK DIVIDENDS.**—

Stock dividends.

(1) **GENERAL RULE.**—A distribution made by a corporation to its shareholders in its stock or in rights to acquire its stock shall not be treated as a dividend to the extent that it does not constitute income to the shareholder within the meaning of the Sixteenth Amendment to the Constitution.

General rule.

(2) **ELECTION OF SHAREHOLDERS AS TO MEDIUM OF PAYMENT.**—Whenever a distribution by a corporation is, at the election of any of the shareholders (whether exercised before or after the declaration thereof), payable either (A) in its stock or in rights to acquire its stock, of a class which if distributed without election would be exempt from tax under paragraph (1), or (B) in money or any other property (including its stock or in rights to acquire its stock, of a class which if distributed without election would not be exempt from tax under paragraph (1)), then the distribution shall constitute a taxable dividend in the hands of all shareholders, regardless of the medium in which paid.

Election of shareholders as to medium of payment.

(g) **REDEMPTION OF STOCK.**—If a corporation cancels or redeems its stock (whether or not such stock was issued as a stock dividend) at such time and in such manner as to make the distribution and cancellation or redemption in whole or in part essentially equivalent to the distribution of a taxable dividend, the amount so distributed in redemption or cancellation of the stock, to the extent that it represents a distribution of earnings or profits accumulated after February 28, 1913, shall be treated as a taxable dividend.

Redemption of stock.



Effect on earnings and profits of distributions of stock.

(h) **EFFECT ON EARNINGS AND PROFITS OF DISTRIBUTIONS OF STOCK.**—The distribution (whether before January 1, 1938, or on or after such date) to a distributee by or on behalf of a corporation of its stock or securities, of stock or securities in another corporation, or of property or money, shall not be considered a distribution of earnings or profits of any corporation—

(1) if no gain to such distributee from the receipt of such stock or securities, property or money, was recognized by law, or

(2) if the distribution was not subject to tax in the hands of such distributee because it did not constitute income to him within the meaning of the Sixteenth Amendment to the Constitution or because exempt to him under section 115 (f) of the Revenue Act of 1934 or a corresponding provision of a prior Revenue Act.

48 Stat. 712.

"Stock or securities" construed.

As used in this subsection the term "stock or securities" includes rights to acquire stock or securities.

"Amounts distributed in partial liquidation" defined.

(i) **DEFINITION OF PARTIAL LIQUIDATION.**—As used in this section the term "amounts distributed in partial liquidation" means a distribution by a corporation in complete cancellation or redemption of a part of its stock, or one of a series of distributions in complete cancellation or redemption of all or a portion of its stock.

Valuation of dividend.

(j) **VALUATION OF DIVIDEND.**—If the whole or any part of a dividend is paid to a shareholder in any medium other than money the property received other than money shall be included in gross income at its fair market value at the time as of which it becomes income to the shareholder.

Consent distributions.

(k) **CONSENT DISTRIBUTIONS.**—For taxability as dividends of amounts agreed to be included in gross income by shareholders' consents, see section 28.

*Ante*, p. 470.

Exclusions from gross income.

#### SEC. 116. EXCLUSIONS FROM GROSS INCOME.

Additional items tax exempt.  
*Ante*, p. 458.

In addition to the items specified in section 22 (b), the following items shall not be included in gross income and shall be exempt from taxation under this title:

Earned income from sources without United States.

(a) **EARNED INCOME FROM SOURCES WITHOUT UNITED STATES.**—In the case of an individual citizen of the United States, a bona fide nonresident of the United States for more than six months during the taxable year, amounts received from sources without the United States (except amounts paid by the United States or any agency thereof) if such amounts would constitute earned income as defined in section 25 (a) if received from sources within the United States; but such individual shall not be allowed as a deduction from his gross income any deductions properly allocable to or chargeable against amounts excluded from gross income under this subsection.

*Ante*, p. 466.

Teachers in Alaska and Hawaii.

(b) **TEACHERS IN ALASKA AND HAWAII.**—In the case of an individual employed by Alaska or Hawaii or any political subdivision thereof as a teacher in any educational institution, the compensation received as such. This subsection shall not exempt compensation paid directly or indirectly by the Government of the United States.

Federal compensation.

Income of foreign governments from investments in United States, etc.

(c) **INCOME OF FOREIGN GOVERNMENTS.**—The income of foreign governments received from investments in the United States in stocks, bonds, or other domestic securities, owned by such foreign governments, or from interest on deposits in banks in the United States of moneys belonging to such foreign governments, or from any other source within the United States.

Income of States, municipalities, etc.

(d) **INCOME OF STATES, MUNICIPALITIES, ETC.**—Income derived from any public utility or the exercise of any essential governmental function and accruing to any State, Territory, or the District of Columbia, or any political subdivision of a State or Territory, or

income accruing to the government of any possession of the United States, or any political subdivision thereof.

Whenever any State, Territory, or the District of Columbia, or any political subdivision of a State or Territory, prior to September 8, 1916, entered in good faith into a contract with any person, the object and purpose of which is to acquire, construct, operate, or maintain a public utility—

Public utility contracts prior to September 8, 1916.

(1) If by the terms of such contract the tax imposed by this title is to be paid out of the proceeds from the operation of such public utility, prior to any division of such proceeds between the person and the State, Territory, political subdivision, or the District of Columbia, and if, but for the imposition of the tax imposed by this title, a part of such proceeds for the taxable year would accrue directly to or for the use of such State, Territory, political subdivision, or the District of Columbia, then a tax upon the net income from the operation of such public utility shall be levied, assessed, collected, and paid in the manner and at the rates prescribed in this title, but there shall be refunded to such State, Territory, political subdivision, or the District of Columbia (under rules and regulations to be prescribed by the Commissioner with the approval of the Secretary) an amount which bears the same relation to the amount of the tax as the amount which (but for the imposition of the tax imposed by this title) would have accrued directly to or for the use of such State, Territory, political subdivision, or the District of Columbia, bears to the amount of the net income from the operation of such public utility for such taxable year.

If tax paid from proceeds prior to division with State, etc.

Refunds.

(2) If by the terms of such contract no part of the proceeds from the operation of the public utility for the taxable year would, irrespective of the tax imposed by this title, accrue directly to or for the use of such State, Territory, political subdivision, or the District of Columbia, then the tax upon the net income of such person from the operation of such public utility shall be levied, assessed, collected, and paid in the manner and at the rates prescribed in this title.

If no part accruing to State, etc.

(e) BRIDGES TO BE ACQUIRED BY STATE OR POLITICAL SUBDIVISION.—Whenever any State or political subdivision thereof, in pursuance of a contract to which it is not a party entered into before the enactment of the Revenue Act of 1928, is to acquire a bridge—

Bridges to be acquired by State, etc.

(1) If by the terms of such contract the tax imposed by this title is to be paid out of the proceeds from the operation of such bridge prior to any division of such proceeds, and if, but for the imposition of the tax imposed by this title, a part of such proceeds for the taxable year would accrue directly to or for the use of or would be applied for the benefit of such State or political subdivision<sup>1</sup>, then a tax upon the net income from the operation of such bridge shall be levied, assessed, collected, and paid in the manner and at the rates prescribed in this title, but there shall be refunded to such State or political subdivision (under rules and regulations to be prescribed by the Commissioner with the approval of the Secretary) an amount which bears the same relation to the amount of the tax as the amount which (but for the imposition of the tax imposed by this title) would have accrued directly to or for the use of or would be applied for the benefit of such State or political subdivision, bears to the amount of the net income from the operation of such bridge for such taxable year. No such refund shall be made unless the entire amount of the refund is to be applied in part payment for the acquisition of such bridge.

45 Stat. 791.  
If tax paid from proceeds prior to division with State, etc.

Refunds.

Restriction.

<sup>1</sup> So in original.

If no part accruing to State, etc.

Dividend from "China Trade Act" Corporation.  
42 Stat. 849.  
15 U. S. C. § 141.

Shipowners' protection and indemnity associations.

Compensation of employees of foreign governments.  
Rule for exclusion.

Employee not a U. S. citizen.

Services similar to American foreign service.

Equivalent exemption granted by foreign government.

Certificate by Secretary of State.

Capital gains and losses.

Definitions.

"Capital assets."

*Ante*, p. 462.

"Short-term capital gain."

"Short-term capital loss."

(2) If by the terms of such contract no part of the proceeds from the operation of the bridge for the taxable year would, irrespective of the tax imposed by this title, accrue directly to or for the use of or be applied for the benefit of such State or political subdivision, then the tax upon the net income from the operation of such bridge shall be levied, assessed, collected, and paid in the manner and at the rates prescribed in this title.

(f) DIVIDEND FROM "CHINA TRADE ACT" CORPORATION.—In the case of a person, amounts distributed as dividends to or for his benefit by a corporation organized under the China Trade Act, 1922, if, at the time of such distribution, he is a resident of China, and the equitable right to the income of the shares of stock of the corporation is in good faith vested in him.

(g) SHIPOWNERS' PROTECTION AND INDEMNITY ASSOCIATIONS.—The receipts of shipowners' mutual protection and indemnity associations not organized for profit, and no part of the net earnings of which inures to the benefit of any private shareholder; but such corporations shall be subject as other persons to the tax upon their net income from interest, dividends, and rents.

(h) COMPENSATION OF EMPLOYEES OF FOREIGN GOVERNMENTS.—

(1) RULE FOR EXCLUSION.—Wages, fees, or salary of an employee of a foreign government (including a consular or other officer, or a nondiplomatic representative) received as compensation for official services to such government—

(A) If such employee is not a citizen of the United States; and

(B) If the services are of a character similar to those performed by employees of the Government of the United States in foreign countries; and

(C) If the foreign government whose employee is claiming exemption grants an equivalent exemption to employees of the Government of the United States performing similar services in such foreign country.

(2) CERTIFICATE BY SECRETARY OF STATE.—The Secretary of State shall certify to the Secretary of the Treasury the names of the foreign countries which grant an equivalent exemption to the employees of the Government of the United States performing services in such foreign countries, and the character of the services performed by employees of the Government of the United States in foreign countries.

## SEC. 117. CAPITAL GAINS AND LOSSES.

(a) DEFINITIONS.—As used in this title—

(1) CAPITAL ASSETS.—The term "capital assets" means property held by the taxpayer (whether or not connected with his trade or business), but does not include stock in trade of the taxpayer or other property of a kind which would properly be included in the inventory of the taxpayer if on hand at the close of the taxable year, or property held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business, or property, used in the trade or business, of a character which is subject to the allowance for depreciation provided in section 23 (1);

(2) SHORT-TERM CAPITAL GAIN.—The term "short-term capital gain" means gain from the sale or exchange of a capital asset held for not more than 18 months, if and to the extent such gain is taken into account in computing net income;

(3) SHORT-TERM CAPITAL LOSS.—The term "short-term capital loss" means loss from the sale or exchange of a capital asset

held for not more than 18 months, if and to the extent such loss is taken into account in computing net income;

(4) **LONG-TERM CAPITAL GAIN.**—The term “long-term capital gain” means gain from the sale or exchange of a capital asset held for more than 18 months, if and to the extent such gain is taken into account in computing net income;

“Long-term capital gain.”

(5) **LONG-TERM CAPITAL LOSS.**—The term “long-term capital loss” means loss from the sale or exchange of a capital asset held for more than 18 months, if and to the extent such loss is taken into account in computing net income;

“Long-term capital loss.”

(6) **NET SHORT-TERM CAPITAL GAIN.**—The term “net short-term capital gain” means the excess of short-term capital gains for the taxable year over the sum of (A) short-term capital losses for the taxable year, plus (B) the net short-term capital loss of the preceding taxable year, to the extent brought forward to the taxable year under subsection (e);

“Net short-term capital gain.”

(7) **NET SHORT-TERM CAPITAL LOSS.**—The term “net short-term capital loss” means the excess of short-term capital losses for the taxable year over the short-term capital gains for such year;

“Net short-term capital loss.”

(8) **NET LONG-TERM CAPITAL GAIN.**—The term “net long-term capital gain” means the excess of long-term capital gains for the taxable year over the long-term capital losses for such year;

“Net long-term capital gain.”

(9) **NET LONG-TERM CAPITAL LOSS.**—The term “net long-term capital loss” means the excess of long-term capital losses for the taxable year over the long-term capital gains for such year.

“Net long-term capital loss.”

(b) **PERCENTAGE TAKEN INTO ACCOUNT.**—In the case of a taxpayer, other than a corporation, only the following percentages of the gain or loss recognized upon the sale or exchange of a capital asset shall be taken into account in computing net income:

Percentage taken into account in computing net income.

100 per centum if the capital asset has been held for not more than 18 months;

66⅔ per centum if the capital asset has been held for more than 18 months but not for more than 24 months;

50 per centum if the capital asset has been held for more than 24 months.

(c) **ALTERNATIVE TAXES.**—

Alternative taxes.

(1) **IN CASE OF NET LONG-TERM CAPITAL GAIN.**—If for any taxable year a taxpayer (other than a corporation) derives a net long-term capital gain, there shall be levied, collected, and paid, in lieu of the tax imposed by sections 11 and 12, a tax determined as follows, if and only if such tax is less than the tax imposed by such sections:

In case of net long-term capital gain.

*Anle*, pp. 452, 453.

A partial tax shall first be computed upon the net income reduced by the amount of the net long-term capital gain, at the rates and in the manner as if this subsection had not been enacted, and the total tax shall be the partial tax plus 30 per centum of the net long-term capital gain.

Computation.

(2) **IN CASE OF NET LONG-TERM CAPITAL LOSS.**—If for any taxable year a taxpayer (other than a corporation) sustains a net long-term capital loss, there shall be levied, collected, and paid, in lieu of the tax imposed by sections 11 and 12, a tax determined as follows, if and only if such tax is greater than the tax imposed by such sections:

In case of net long-term capital loss.

*Anle*, pp. 452, 453.

A partial tax shall first be computed upon the net income increased by the amount of the net long-term capital loss, at the rates and in the manner as if this subsection had not been enacted, and the total tax shall be the partial tax minus 30 per centum of the net long-term capital loss.

Computation.

Limitation on capital losses.  
Corporations.

(d) **LIMITATION ON CAPITAL LOSSES.**—

(1) **CORPORATIONS.**—In the case of a corporation, losses from sales or exchanges of capital assets shall be allowed only to the extent of \$2,000 plus the gains from such sales or exchanges. If a bank or trust company incorporated under the laws of the United States (including laws relating to the District of Columbia) or of any State or Territory, a substantial part of whose business is the receipt of deposits, sells any bond, debenture, note, or certificate or other evidence of indebtedness issued by any corporation (including one issued by a government or political subdivision thereof), with interest coupons or in registered form, any loss resulting from such sale (except such portion of the loss as does not exceed the amount, if any, by which the adjusted basis of such instrument exceeds the par or face value thereof) shall not be subject to the foregoing limitation and shall not be included in determining the applicability of such limitation to other losses.

Other taxpayers.

(2) **OTHER TAXPAYERS.**—In the case of a taxpayer other than a corporation, short-term capital losses shall be allowed only to the extent of short-term capital gains.

Net short-term capital loss carry-over.

(e) **NET SHORT-TERM CAPITAL LOSS CARRY-OVER.**—If any taxpayer (other than a corporation) sustains in any taxable year a net short-term capital loss, such loss (in an amount not in excess of the net income for such year) shall be treated in the succeeding taxable year as a short-term capital loss, except that it shall not be included in computing the net short-term capital loss for such year.

Retirement of bonds, etc.

(f) **RETIREMENT OF BONDS, ETC.**—For the purposes of this title, amounts received by the holder upon the retirement of bonds, debentures, notes, or certificates or other evidences of indebtedness issued by any corporation (including those issued by a government or political subdivision thereof), with interest coupons or in registered form, shall be considered as amounts received in exchange therefor.

Gains and losses from short sales, etc.

(g) **GAINS AND LOSSES FROM SHORT SALES, ETC.**—For the purpose of this title—

(1) gains or losses from short sales of property shall be considered as gains or losses from sales or exchanges of capital assets; and

(2) gains or losses attributable to the failure to exercise privileges or options to buy or sell property shall be considered as short-term capital gains or losses.

Determination of period for which held.

(h) **DETERMINATION OF PERIOD FOR WHICH HELD.**—For the purpose of this section—

Received on an exchange.

(1) In determining the period for which the taxpayer has held property received on an exchange there shall be included the period for which he held the property exchanged, if under the provisions of section 113, the property received has, for the purpose of determining gain or loss from a sale or exchange, the same basis in whole or in part in his hands as the property exchanged.

*Ante*, p. 490.

Period of property holding.

(2) In determining the period for which the taxpayer has held property however acquired there shall be included the period for which such property was held by any other person, if under the provisions of section 113, such property has, for the purpose of determining gain or loss from a sale or exchange, the same basis in whole or in part in his hands as it would have in the hands of such other person.

*Ante*, p. 490.

Stock, etc., received upon a distribution.

(3) In determining the period for which the taxpayer has held stock or securities received upon a distribution where no gain was recognized to the distributee under the provisions of

section 112 (g) of the Revenue Act of 1928 or the Revenue Act of 1932, or under the provisions of section 371 (c) of this Act, there shall be included the period for which he held the stock or securities in the distributing corporation prior to the receipt of the stock or securities upon such distribution.

(4) In determining the period for which the taxpayer has held stock or securities the acquisition of which (or the contract or option to acquire which) resulted in the nondeductibility (under section 118 of this Act or section 118 of the Revenue Act of 1928 or the Revenue Act of 1932 or the Revenue Act of 1934 or the Revenue Act of 1936, relating to wash sales) of the loss from the sale or other disposition of substantially identical stock or securities, there shall be included the period for which he held the stock or securities the loss from the sale or other disposition of which was not deductible.

45 Stat. 818; 47 Stat. 197.  
*Post*, p. 553.

Computing period stock has been held.

45 Stat. 826; 48 Stat. 715; 49 Stat. 1692.

#### SEC. 118. LOSS FROM WASH SALES OF STOCK OR SECURITIES.

(a) In the case of any loss claimed to have been sustained from any sale or other disposition of shares of stock or securities where it appears that, within a period beginning 30 days before the date of such sale or disposition and ending 30 days after such date, the taxpayer has acquired (by purchase or by an exchange upon which the entire amount of gain or loss was recognized by law), or has entered into a contract or option so to acquire, substantially identical stock or securities, then no deduction for the loss shall be allowed under section 23 (e) (2); nor shall such deduction be allowed under section 23 (f) unless the claim is made by a corporation, a dealer in stocks or securities, and with respect to a transaction made in the ordinary course of its business.

(b) If the amount of stock or securities acquired (or covered by the contract or option to acquire) is less than the amount of stock or securities sold or otherwise disposed of, then the particular shares of stock or securities the loss from the sale or other disposition of which is not deductible shall be determined under rules and regulations prescribed by the Commissioner with the approval of the Secretary.

(c) If the amount of stock or securities acquired (or covered by the contract or option to acquire) is not less than the amount of stock or securities sold or otherwise disposed of, then the particular shares of stock or securities the acquisition of which (or the contract or option to acquire which) resulted in the nondeductibility of the loss shall be determined under rules and regulations prescribed by the Commissioner with the approval of the Secretary.

Loss from wash sales of stock, etc.

Restriction on claim for, if taxpayer has acquired substantially identical stock within 30 days.

*Ante*, p. 461.

Computation where stock acquired is less than that sold.

When stock acquired is not less than that sold, etc.

#### SEC. 119. INCOME FROM SOURCES WITHIN UNITED STATES.

(a) GROSS INCOME FROM SOURCES IN UNITED STATES.—The following items of gross income shall be treated as income from sources within the United States:

(1) INTEREST.—Interest from the United States, any Territory, any political subdivision of a Territory, or the District of Columbia, and interest on bonds, notes, or other interest-bearing obligations of residents, corporate or otherwise, not including—

(A) interest on deposits with persons carrying on the banking business paid to persons not engaged in business within the United States and not having an office or place of business therein, or

(B) interest received from a resident alien individual, a resident foreign corporation, or a domestic corporation, when it is shown to the satisfaction of the Commissioner that less than 20 per centum of the gross income of such

Income from sources within United States.  
Gross income.

Interest.

Exceptions.

Interest paid to persons not in business in United States.

Interest received when less than 20 per cent of gross income from sources within U. S.

Income from bank-  
ers' acceptances.

Dividends.

From domestic cor-  
porations; exceptions.  
*Post*, p. 532.

Foreign corpora-  
tions.

Treatment of divi-  
dends.  
*Post*, p. 506.

Personal services in  
United States.

Rentals and royal-  
ties.

Sale of real property.

Sale of personal  
property.

Net income from  
sources in United  
States.

resident payor or domestic corporation has been derived from sources within the United States, as determined under the provisions of this section, for the three-year period ending with the close of the taxable year of such payor preceding the payment of such interest, or for such part of such period as may be applicable, or

(C) income derived by a foreign central bank of issue from bankers' acceptances;

(2) **DIVIDENDS.**—The amount received as dividends—

(A) from a domestic corporation other than a corporation entitled to the benefits of section 251, and other than a corporation less than 20 per centum of whose gross income is shown to the satisfaction of the Commissioner to have been derived from sources within the United States, as determined under the provisions of this section, for the three-year period ending with the close of the taxable year of such corporation preceding the declaration of such dividends (or for such part of such period as the corporation has been in existence), or

(B) from a foreign corporation unless less than 50 per centum of the gross income of such foreign corporation for the three-year period ending with the close of its taxable year preceding the declaration of such dividends (or for such part of such period as the corporation has been in existence) was derived from sources within the United States as determined under the provisions of this section; but only in an amount which bears the same ratio to such dividends as the gross income of the corporation for such period derived from sources within the United States bears to its gross income from all sources; but dividends from a foreign corporation shall, for the purposes of section 131 (relating to foreign tax credit), be treated as income from sources without the United States;

(3) **PERSONAL SERVICES.**—Compensation for labor or personal services performed in the United States, but in the case of a nonresident alien individual temporarily present in the United States for a period or periods not exceeding a total of ninety days during the taxable year, compensation received by such an individual (if such compensation does not exceed \$3,000 in the aggregate) for labor or services performed as an employee of or under a contract with a nonresident alien, foreign partnership, or foreign corporation, not engaged in trade or business within the United States, shall not be deemed to be income from sources within the United States;

(4) **RENTALS AND ROYALTIES.**—Rentals or royalties from property located in the United States or from any interest in such property, including rentals or royalties for the use of or for the privilege of using in the United States, patents, copyrights, secret processes and formulas, good will, trade-marks, trade brands, franchises, and other like property; and

(5) **SALE OF REAL PROPERTY.**—Gains, profits, and income from the sale of real property located in the United States.

(6) **SALE OF PERSONAL PROPERTY.**—For gains, profits, and income from the sale of personal property, see subsection (e).

(b) **NET INCOME FROM SOURCES IN UNITED STATES.**—From the items of gross income specified in subsection (a) of this section there shall be deducted the expenses, losses, and other deductions properly apportioned or allocated thereto and a ratable part of any expenses, losses, or other deductions which can not definitely be

allocated to some item or class of gross income. The remainder, if any, shall be included in full as net income from sources within the United States.

(c) **GROSS INCOME FROM SOURCES WITHOUT UNITED STATES.**—The following items of gross income shall be treated as income from sources without the United States:

(1) Interest other than that derived from sources within the United States as provided in subsection (a) (1) of this section;

(2) Dividends other than those derived from sources within the United States as provided in subsection (a) (2) of this section;

(3) Compensation for labor or personal services performed without the United States;

(4) Rentals or royalties from property located without the United States or from any interest in such property, including rentals or royalties for the use of or for the privilege of using without the United States, patents, copyrights, secret processes and formulas, good will, trade-marks, trade brands, franchises, and other like properties; and

(5) Gains, profits, and income from the sale of real property located without the United States.

(d) **NET INCOME FROM SOURCES WITHOUT UNITED STATES.**—From the items of gross income specified in subsection (c) of this section there shall be deducted the expenses, losses, and other deductions properly apportioned or allocated thereto, and a ratable part of any expenses, losses, or other deductions which can not definitely be allocated to some item or class of gross income. The remainder, if any, shall be treated in full as net income from sources without the United States.

(e) **INCOME FROM SOURCES PARTLY WITHIN AND PARTLY WITHOUT UNITED STATES.**—Items of gross income, expenses, losses and deductions, other than those specified in subsections (a) and (c) of this section, shall be allocated or apportioned to sources within or without the United States, under rules and regulations prescribed by the Commissioner with the approval of the Secretary. Where items of gross income are separately allocated to sources within the United States, there shall be deducted (for the purpose of computing the net income therefrom) the expenses, losses, and other deductions properly apportioned or allocated thereto and a ratable part of other expenses, losses or other deductions which can not definitely be allocated to some item or class of gross income. The remainder, if any, shall be included in full as net income from sources within the United States. In the case of gross income derived from sources partly within and partly without the United States, the net income may first be computed by deducting the expenses, losses, or other deductions apportioned or allocated thereto and a ratable part of any expenses, losses, or other deductions which can not definitely be allocated to some items or class of gross income; and the portion of such net income attributable to sources within the United States may be determined by processes or formulas of general apportionment prescribed by the Commissioner with the approval of the Secretary. Gains, profits, and income from—

(1) transportation or other services rendered partly within and partly without the United States, or

(2) from the sale of personal property produced (in whole or in part) by the taxpayer within and sold without the United States, or produced (in whole or in part) by the taxpayer without and sold within the United States,

Gross income from sources without United States.

Interest.

Dividends.

Compensation for labor, etc.

Rentals, royalties, etc.

Gains, etc., from real property sales.

Net income from sources without United States.

Income from sources partly within and partly without United States.

Apportionment.

From United States sources.

Computation of net income.

Determination;

Transportation or other services.

Sale of personal property.



Purchase, sale, etc., of personal property. shall be treated as derived partly from sources within and partly from sources without the United States. Gains, profits and income derived from the purchase of personal property within and its sale without the United States or from the purchase of personal property without and its sale within the United States, shall be treated as derived entirely from sources within the country in which sold, except that gains, profits, and income derived from the purchase of personal property within a possession of the United States and its sale within the United States shall be treated as derived partly from sources within and partly from sources without the United States.

Exceptions.

Definitions. (f) DEFINITIONS.—As used in this section the words "sale" or "Sale" or "sold"; "sold" include "exchange" or "exchanged"; and the word "produced" includes "created", "fabricated", "manufactured", "extracted", "processed", "cured", or "aged".

Charitable, etc., contributions. **SEC. 120. UNLIMITED DEDUCTION FOR CHARITABLE AND OTHER CONTRIBUTIONS.**

Unlimited deduction for. *Ante*, p. 463. In the case of an individual if in the taxable year and in each of the ten preceding taxable years the amount of the contributions or gifts described in section 23 (o) (or corresponding provisions of prior revenue Acts) plus the amount of income, war-profits, or excess-profits taxes paid during such year in respect of preceding taxable years, exceeds 90 per centum of the taxpayer's net income for each such year, as computed without the benefit of the applicable subsection, then the 15 per centum limit imposed by section 23 (o) shall not be applicable.

Preferred stock of certain corporations. **SEC. 121. DEDUCTION OF DIVIDENDS PAID ON CERTAIN PREFERRED STOCK OF CERTAIN CORPORATIONS.**

Deduction of certain dividends paid, in computing net income. *Ante*, p. 463. In computing the net income of any national banking association, or of any bank or trust company organized under the laws of any State, Territory, possession of the United States, or the Canal Zone, or of any other banking corporation engaged in the business of industrial banking and under the supervision of a State banking department or of the Comptroller of the Currency, or of any incorporated domestic insurance company, there shall be allowed as a deduction from gross income, in addition to deductions otherwise provided for in this title, any dividend (not including any distribution in liquidation) paid, within the taxable year, to the United States or to any instrumentality thereof exempt from Federal income taxes, on the preferred stock of the corporation owned by the United States or such instrumentality. The amount allowable as a deduction under this section shall be deducted from the basic surtax credit otherwise computed under section 27 (b).

Credits against tax.

### Supplement C—Credits Against Tax

[Supplementary to Subtitle B, Part III]

Taxes of foreign countries and U. S. possessions. **SEC. 131. TAXES OF FOREIGN COUNTRIES AND POSSESSIONS OF UNITED STATES.**

Allowance of credit.

(a) ALLOWANCE OF CREDIT.—If the taxpayer signifies in his return his desire to have the benefits of this section, the tax imposed by this title shall be credited with:

Citizen and domestic corporation.

(1) CITIZEN AND DOMESTIC CORPORATION.—In the case of a citizen of the United States and of a domestic corporation, the amount of any income, war-profits, and excess-profits taxes paid or accrued during the taxable year to any foreign country or to any possession of the United States; and

(2) **RESIDENT OF UNITED STATES.**—In the case of a resident of the United States, the amount of any such taxes paid or accrued during the taxable year to any possession of the United States; and

Resident of United States.

(3) **ALIEN RESIDENT OF UNITED STATES.**—In the case of an alien resident of the United States, the amount of any such taxes paid or accrued during the taxable year to any foreign country, if the foreign country of which such alien resident is a citizen or subject, in imposing such taxes, allows a similar credit to citizens of the United States residing in such country; and

Alien resident of United States.

(4) **PARTNERSHIPS AND ESTATES.**—In the case of any such individual who is a member of a partnership or a beneficiary of an estate or trust, his proportionate share of such taxes of the partnership or the estate or trust paid or accrued during the taxable year to a foreign country or to any possession of the United States, as the case may be.

Partnerships and estates.

(b) **LIMIT ON CREDIT.**—The amount of the credit taken under this section shall be subject to each of the following limitations:

Limit on credit.

(1) The amount of the credit in respect of the tax paid or accrued to any country shall not exceed the same proportion of the tax against which such credit is taken, which the taxpayer's net income from sources within such country bears to his entire net income for the same taxable year; and

(2) The total amount of the credit shall not exceed the same proportion of the tax against which such credit is taken, which the taxpayer's net income from sources without the United States bears to his entire net income for the same taxable year.

(c) **ADJUSTMENTS ON PAYMENT OF ACCRUED TAXES.**—If accrued taxes when paid differ from the amounts claimed as credits by the taxpayer, or if any tax paid is refunded in whole or in part, the taxpayer shall notify the Commissioner, who shall redetermine the amount of the tax for the year or years affected, and the amount of tax due upon such redetermination, if any, shall be paid by the taxpayer upon notice and demand by the collector, or the amount of tax overpaid, if any, shall be credited or refunded to the taxpayer in accordance with the provisions of section 322. In the case of such a tax accrued but not paid, the Commissioner as a condition precedent to the allowance of this credit may require the taxpayer to give a bond with sureties satisfactory to and to be approved by the Commissioner in such sum as the Commissioner may require, conditioned upon the payment by the taxpayer of any amount of tax found due upon any such redetermination; and the bond herein prescribed shall contain such further conditions as the Commissioner may require.

Adjustments on payment of accrued taxes.

Redetermination.

Post, p. 544.  
Tax accrued but unpaid.

Bond.

(d) **YEAR IN WHICH CREDIT TAKEN.**—The credits provided for in this section may, at the option of the taxpayer and irrespective of the method of accounting employed in keeping his books, be taken in the year in which the taxes of the foreign country or the possession of the United States accrued, subject, however, to the conditions prescribed in subsection (c) of this section. If the taxpayer elects to take such credits in the year in which the taxes of the foreign country or the possession of the United States accrued, the credits for all subsequent years shall be taken upon the same basis, and no portion of any such taxes shall be allowed as a deduction in the same or any succeeding year.

Year in which credit taken.

Credits on same basis for subsequent years.

(e) **PROOF OF CREDITS.**—The credits provided in this section shall be allowed only if the taxpayer establishes to the satisfaction of the

Proof of credits.

*Ante*, p. 504.

Taxes of foreign subsidiary.  
Proportion of foreign tax on dividends received deemed to have been paid.

*Proviso.*  
Limitation on credit.

"Accumulated profits" defined.

Determination of,  
by Commissioner.

Accounting period for foreign corporation.

"Year" construed.

Corporations treated as foreign.

Corporations receiving income from U. S. possessions.  
*Post*, p. 532.

China Trade Act corporations.  
*Post*, p. 533.

Returns and payment of tax.

Consolidated returns of railroad corporations.  
By affiliated group in lieu of separate returns.

Condition.

Commissioner (1) the total amount of income derived from sources without the United States, determined as provided in section 119, (2) the amount of income derived from each country, the tax paid or accrued to which is claimed as a credit under this section, such amount to be determined under rules and regulations prescribed by the Commissioner with the approval of the Secretary, and (3) all other information necessary for the verification and computation of such credits.

(f) **TAXES OF FOREIGN SUBSIDIARY.**—For the purposes of this section a domestic corporation which owns a majority of the voting stock of a foreign corporation from which it receives dividends in any taxable year shall be deemed to have paid the same proportion of any income, war-profits, or excess-profits taxes paid by such foreign corporation to any foreign country or to any possession of the United States, upon or with respect to the accumulated profits of such foreign corporation from which such dividends were paid, which the amount of such dividends bears to the amount of such accumulated profits: *Provided*, That the amount of tax deemed to have been paid under this subsection shall in no case exceed the same proportion of the tax against which credit is taken which the amount of such dividends bears to the amount of the entire net income of the domestic corporation in which such dividends are included. The term "accumulated profits" when used in this subsection in reference to a foreign corporation, means the amount of its gains, profits, or income in excess of the income, war-profits, and excess-profits taxes imposed upon or with respect to such profits or income; and the Commissioner with the approval of the Secretary shall have full power to determine from the accumulated profits of what year or years such dividends were paid; treating dividends paid in the first sixty days of any year as having been paid from the accumulated profits of the preceding year or years (unless to his satisfaction shown otherwise), and in other respects treating dividends as having been paid from the most recently accumulated gains, profits, or earnings. In the case of a foreign corporation, the income, war-profits, and excess-profits taxes of which are determined on the basis of an accounting period of less than one year, the word "year" as used in this subsection shall be construed to mean such accounting period.

(g) **CORPORATIONS TREATED AS FOREIGN.**—For the purposes of this section the following corporations shall be treated as foreign corporations:

(1) A corporation entitled to the benefits of section 251, by reason of receiving a large percentage of its gross income from sources within a possession of the United States;

(2) A corporation organized under the China Trade Act, 1922, and entitled to the credit provided for in section 262.

## Supplement D—Returns and Payment of Tax

[Supplementary to Subtitle B, Part V]

### SEC. 141. CONSOLIDATED RETURNS OF RAILROAD CORPORATIONS.

(a) **PRIVILEGE TO FILE CONSOLIDATED RETURNS.**—An affiliated group of corporations shall, subject to the provisions of this section, have the privilege of making a consolidated return for the taxable year in lieu of separate returns. The making of a consolidated return shall be upon the condition that all the corporations which have been members of the affiliated group at any time during the taxable year for which the return is made consent to all the regulations under subsection (b) (or, in case such regulations are not prescribed

prior to the making of the return, then the regulations prescribed under section 141 (b) of the Revenue Act of 1936 insofar as not inconsistent with this Act) prescribed prior to the making of such return; and the making of a consolidated return shall be considered as such consent. In the case of a corporation which is a member of the affiliated group for a fractional part of the year the consolidated return shall include the income of such corporation for such part of the year as it is a member of the affiliated group.

49 Stat. 1698.

Fractional part of year.

Regulations.

(b) REGULATIONS.—The Commissioner, with the approval of the Secretary, shall prescribe such regulations as he may deem necessary in order that the tax liability of any affiliated group of corporations making a consolidated return and of each corporation in the group, both during and after the period of affiliation, may be determined, computed, assessed, collected, and adjusted in such manner as clearly to reflect the income and to prevent avoidance of tax liability.

Computation and payment of tax.

(c) COMPUTATION AND PAYMENT OF TAX.—In any case in which a consolidated return is made the tax shall be determined, computed, assessed, collected, and adjusted in accordance with the regulations under subsection (b) (or, in case such regulations are not prescribed prior to the making of the return, then the regulations prescribed under section 141 (b) of the Revenue Act of 1936 insofar as not inconsistent with this Act) prescribed prior to the date on which such return is made.

Returns filed prior to making regulations.

49 Stat. 1698.

(d) DEFINITION OF "AFFILIATED GROUP".—As used in this section an "affiliated group" means one or more chains of corporations connected through stock ownership with a common parent corporation if—

"Affiliated group" defined.

(1) At least 95 per centum of the stock of each of the corporations (except the common parent corporation) is owned directly by one or more of the other corporations; and

Stock ownership of members.

(2) The common parent corporation owns directly at least 95 per centum of the stock of at least one of the other corporations; and

Of parent organization.

(3) Each of the corporations is either (A) a corporation whose principal business is that of a common carrier by railroad or (B) a corporation the assets of which consist principally of stock in such corporations and which does not itself operate a business other than that of a common carrier by railroad. For the purpose of determining whether the principal business of a corporation is that of a common carrier by railroad, if a common carrier by railroad has leased its railroad properties and such properties are operated as such by another common carrier by railroad, the business of receiving rents for such railroad properties shall be considered as the business of a common carrier by railroad. As used in this paragraph, the term "railroad" includes a street, suburban, or interurban electric railway, or a street or suburban trackless trolley system of transportation, or a street or suburban bus system of transportation operated as part of a street or suburban electric railway or trackless trolley system.

Corporations included.

"Railroad" defined.

As used in this subsection (except in paragraph (3)) the term "stock" does not include nonvoting stock which is limited and preferred as to dividends.

"Stock" defined.

(e) FOREIGN CORPORATIONS.—A foreign corporation shall not be deemed to be affiliated with any other corporation within the meaning of this section.

Foreign corporations.

(f) CHINA TRADE ACT CORPORATIONS.—A corporation organized under the China Trade Act, 1922, shall not be deemed to be affiliated with any other corporation within the meaning of this section.

China Trade Act corporations.

Corporations deriving income from United States possessions.  
*Post*, p. 532.

Subsidiary formed to comply with foreign law.

Suspension of running of statute of limitations.  
*Post*, p. 535.  
*Post*, p. 540.

Receivership cases.

*Ante*, p. 456.

Allocation of income and deductions.  
*Ante*, p. 474.

Fiduciary returns.

Requirement of return.

Net income of \$1,000 or over, if single, etc.

Married, etc., with net income of \$2,500 or over.

Gross income of \$5,000 or over.

Estates with \$1,000 net income or over.

Trusts with \$100 net income or over.

Estate, etc., gross income of \$5,000 or over.

Nonresident alien beneficiary.

(g) **CORPORATIONS DERIVING INCOME FROM POSSESSIONS OF UNITED STATES.**—For the purposes of this section a corporation entitled to the benefits of section 251, by reason of receiving a large percentage of its income from possessions of the United States, shall be treated as a foreign corporation.

(h) **SUBSIDIARY FORMED TO COMPLY WITH FOREIGN LAW.**—In the case of a domestic corporation owning or controlling, directly or indirectly, 100 per centum of the capital stock (exclusive of directors' qualifying shares) of a corporation organized under the laws of a contiguous foreign country and maintained solely for the purpose of complying with the laws of such country as to title and operation of property, such foreign corporation may, at the option of the domestic corporation, be treated for the purpose of this title as a domestic corporation.

(i) **SUSPENSION OF RUNNING OF STATUTE OF LIMITATIONS.**—If a notice under section 272 (a) in respect of a deficiency for any taxable year is mailed to a corporation, the suspension of the running of the statute of limitations, provided in section 277, shall apply in the case of corporations with which such corporation made a consolidated return for such taxable year.

(j) **RECEIVERSHIP CASES.**—If the common parent corporation of an affiliated group making a consolidated return would, if filing a separate return, be entitled to the benefits of section 13 (e), the affiliated group shall be entitled to the benefits of such subsection. In all other cases the affiliated group making a consolidated return shall not be entitled to the benefits of such subsection, regardless of the fact that one or more of the corporations in the group are in bankruptcy or in receivership.

(k) **ALLOCATION OF INCOME AND DEDUCTIONS.**—For allocation of income and deductions of related trades or businesses, see section 45.

#### SEC. 142. FIDUCIARY RETURNS.

(a) **REQUIREMENT OF RETURN.**—Every fiduciary (except a receiver appointed by authority of law in possession of part only of the property of an individual) shall make under oath a return for any of the following individuals, estates, or trusts for which he acts, stating specifically the items of gross income thereof and the deductions and credits allowed under this title and such other information for the purpose of carrying out the provisions of this title as the Commissioner with the approval of the Secretary may by regulations prescribe—

(1) Every individual having a net income for the taxable year of \$1,000 or over, if single, or if married and not living with husband or wife;

(2) Every individual having a net income for the taxable year of \$2,500 or over, if married and living with husband or wife;

(3) Every individual having a gross income for the taxable year of \$5,000 or over, regardless of the amount of his net income;

(4) Every estate the net income of which for the taxable year is \$1,000 or over;

(5) Every trust the net income of which for the taxable year is \$100 or over;

(6) Every estate or trust the gross income of which for the taxable year is \$5,000 or over, regardless of the amount of the net income; and

(7) Every estate or trust of which any beneficiary is a non-resident alien.

(b) **JOINT FIDUCIARIES.**—Under such regulations as the Commissioner with the approval of the Secretary may prescribe a return made by one of two or more joint fiduciaries and filed in the office of the collector of the district where such fiduciary resides shall be sufficient compliance with the above requirement. Such fiduciary shall make oath (1) that he has sufficient knowledge of the affairs of the individual, estate, or trust for which the return is made, to enable him to make the return, and (2) that the return is, to the best of his knowledge and belief, true and correct.

(c) **LAW APPLICABLE TO FIDUCIARIES.**—Any fiduciary required to make a return under this title shall be subject to all the provisions of law which apply to individuals.

#### SEC. 143. WITHHOLDING OF TAX AT SOURCE.

##### (a) **TAX-FREE COVENANT BONDS.**—

(1) **REQUIREMENT OF WITHHOLDING.**—In any case where bonds, mortgages, or deeds of trust, or other similar obligations of a corporation, issued before January 1, 1934, contain a contract or provision by which the obligor agrees to pay any portion of the tax imposed by this title upon the obligee, or to reimburse the obligee for any portion of the tax, or to pay the interest without deduction for any tax which the obligor may be required or permitted to pay thereon, or to retain therefrom under any law of the United States, the obligor shall deduct and withhold a tax equal to 2 per centum of the interest upon such bonds, mortgages, deeds of trust, or other obligations, whether such interest is payable annually or at shorter or longer periods, if payable to an individual, a partnership, or a foreign corporation not engaged in trade or business within the United States and not having any office or place of business therein: *Provided*, That if the liability assumed by the obligor does not exceed 2 per centum of the interest, then the deduction and withholding shall be at the following rates: (A) 10 per centum in the case of a nonresident alien individual (except that such rate shall be reduced, in the case of a resident of a contiguous country, to such rate, not less than 5 per centum, as may be provided by treaty with such country), or of any partnership not engaged in trade or business within the United States and not having any office or place of business therein and composed in whole or in part of nonresident aliens, (B) in the case of such a foreign corporation, 15 per centum, and (C) 2 per centum in the case of other individuals and partnerships: *Provided further*, That if the owners of such obligations are not known to the withholding agent the Commissioner may authorize such deduction and withholding to be at the rate of 2 per centum, or, if the liability assumed by the obligor does not exceed 2 per centum of the interest, then at the rate of 10 per centum.

(2) **BENEFIT OF CREDITS AGAINST NET INCOME.**—Such deduction and withholding shall not be required in the case of a citizen or resident entitled to receive such interests, if he files with the withholding agent on or before February 1 a signed notice in writing claiming the benefit of the credits provided in section 25 (b); nor in the case of a nonresident alien individual if so provided for in regulations prescribed by the Commissioner under section 215.

(3) **INCOME OF OBLIGOR AND OBLIGEE.**—The obligor shall not be allowed a deduction for the payment of the tax imposed by this title, or any other tax paid pursuant to the tax-free covenant clause, nor shall such tax be included in the gross income of the obligee.

Joint fiduciaries.

Oath.

Law applicable to fiduciaries.

Withholding of tax at source.  
Tax-free covenant bonds.  
Requirement of withholding.

Provisions.  
Rates.

Nonresident alien individuals, etc.

Foreign corporations.  
Other individuals, etc.  
Unknown owners.

Benefit of credits against net income.

*Ante*, p. 467.

*Post*, p. 529.

Income of obligor and obligee.

Nonresident aliens.

(b) **NONRESIDENT ALIENS.**—All persons, in whatever capacity acting, including lessees or mortgagors of real or personal property, fiduciaries, employers, and all officers and employees of the United States, having the control, receipt, custody, disposal, or payment of interest (except interest on deposits with persons carrying on the banking business paid to persons not engaged in business in the United States and not having an office or place of business therein), dividends, rent, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, or other fixed or determinable annual or periodical gains, profits, and income (but only to the extent that any of the above items constitutes gross income from sources within the United States), of any nonresident alien individual, or of any partnership not engaged in trade or business within the United States and not having any office or place of business therein and composed in whole or in part of nonresident aliens, shall (except in the cases provided for in subsection (a) of this section and except as otherwise provided in regulations prescribed by the Commissioner under section 215) deduct and withhold from such annual or periodical gains, profits, and income a tax equal to 10 per centum thereof, except that such rate shall be reduced, in the case of a nonresident alien individual a resident of a contiguous country, to such rate (not less than 5 per centum) as may be provided by treaty with such country: *Provided*, That no such deduction or withholding shall be required in the case of dividends paid by a foreign corporation unless (1) such corporation is engaged in trade or business within the United States or has an office or place of business therein, and (2) more than 85 per centum of the gross income of such corporation for the three-year period ending with the close of its taxable year preceding the declaration of such dividends (or for such part of such period as the corporation has been in existence) was derived from sources within the United States as determined under the provisions of section 119: *Provided further*, That the Commissioner may authorize such tax to be deducted and withheld from the interest upon any securities the owners of which are not known to the withholding agent. Under regulations prescribed by the Commissioner, with the approval of the Secretary, there may be exempted from such deduction and withholding the compensation for personal services of nonresident alien individuals who enter and leave the United States at frequent intervals.

Exception.  
*Ante*, p. 511.

*Post*, p. 529.

*Provisos.*  
Foreign corporation  
dividends.

*Ante*, p. 503.  
Interest upon secu-  
rities when owners  
unknown.

Return and pay-  
ment.

*Ante*, p. 478.  
Liability.

Income of recipient.

Tax paid by recipi-  
ent.

(c) **RETURN AND PAYMENT.**—Every person required to deduct and withhold any tax under this section shall make return thereof on or before March 15 of each year and shall on or before June 15, in lieu of the time prescribed in section 56, pay the tax to the official of the United States Government authorized to receive it. Every such person is hereby made liable for such tax and is hereby indemnified against the claims and demands of any person for the amount of any payments made in accordance with the provisions of this section.

(d) **INCOME OF RECIPIENT.**—Income upon which any tax is required to be withheld at the source under this section shall be included in the return of the recipient of such income, but any amount of tax so withheld shall be credited against the amount of income tax as computed in such return.

(e) **TAX PAID BY RECIPIENT.**—If any tax required under this section to be deducted and withheld is paid by the recipient of the income, it shall not be re-collected from the withholding agent; nor in cases in which the tax is so paid shall any penalty be imposed upon or collected from the recipient of the income or the withholding agent for failure to return or pay the same, unless such failure was fraudulent and for the purpose of evading payment.

(f) **REFUNDS AND CREDITS.**—Where there has been an overpayment of tax under this section any refund or credit made under the provisions of section 322 shall be made to the withholding agent unless the amount of such tax was actually withheld by the withholding agent.

Refunds and credits.

*Post*, p. 544.

#### SEC. 144. PAYMENT OF CORPORATION INCOME TAX AT SOURCE.

In the case of foreign corporations subject to taxation under this title not engaged in trade or business within the United States and not having any office or place of business therein, there shall be deducted and withheld at the source in the same manner and upon the same items of income as is provided in section 143 a tax equal to 15 per centum thereof, except that in the case of dividends the rate shall be 10 per centum, and except that in the case of corporations organized under the laws of a contiguous country such rate of 10 per centum with respect to dividends shall be reduced to such rate (not less than 5 per centum) as may be provided by treaty with such country; and such tax shall be returned and paid in the same manner and subject to the same conditions as provided in that section: *Provided*, That in the case of interest described in subsection (a) of that section (relating to tax-free covenant bonds) the deduction and withholding shall be at the rate specified in such subsection.

Payment of corporation income tax at source.  
By foreign corporations not in business in United States.

*Ante*, p. 511.

*Proviso.*  
Interest, tax-free covenant bonds.

#### SEC. 145. PENALTIES.

(a) Any person required under this title to pay any tax, or required by law or regulations made under authority thereof to make a return, keep any records, or supply any information, for the purposes of the computation, assessment, or collection of any tax imposed by this title, who willfully fails to pay such tax, make such return, keep such records, or supply such information, at the time or times required by law or regulations, shall, in addition to other penalties provided by law, be guilty of a misdemeanor and, upon conviction thereof, be fined not more than \$10,000, or imprisoned for not more than one year, or both, together with the costs of prosecution.

Penalties.

Willful failure to pay tax, make returns, etc.

Penalty.

(b) Any person required under this title to collect, account for, and pay over any tax imposed by this title, who willfully fails to collect or truthfully account for and pay over such tax, and any person who willfully attempts in any manner to evade or defeat any tax imposed by this title or the payment thereof, shall, in addition to other penalties provided by law, be guilty of a felony and, upon conviction thereof, be fined not more than \$10,000, or imprisoned for not more than five years, or both, together with the costs of prosecution.

Willful failure to collect, etc., tax; evading payment, etc.

Penalty.

(c) The term "person" as used in this section includes an officer or employee of a corporation or a member or employee of a partnership, who as such officer, employee, or member is under a duty to perform the act in respect of which the violation occurs.

"Person" defined.

(d) For penalties for failure to file information returns with respect to foreign personal holding companies and foreign corporations, see section 340.

Foreign personal holding companies, etc., failure to file information returns.  
*Post*, p. 552.

#### SEC. 146. CLOSING BY COMMISSIONER OF TAXABLE YEAR.

(a) **TAX IN JEOPARDY.**—

(1) **DEPARTURE OF TAXPAYER OR REMOVAL OF PROPERTY FROM UNITED STATES.**—If the Commissioner finds that a taxpayer designs quickly to depart from the United States or to remove

Closing by Commissioner of taxable year.  
Tax in jeopardy.

Departure of taxpayer or removal of property from United States.



Notice of finding,  
demand for payment,  
etc.

Presumptive evi-  
dence of design.

Corporation in liq-  
uidation.

Security for pay-  
ment.

Condition of accept-  
ance.

Suspension of en-  
forcement on approval  
of security.

Citizens.

Departure of alien.

his property therefrom, or to conceal himself or his property therein, or to do any other act tending to prejudice or to render wholly or partly ineffectual proceedings to collect the tax for the taxable year then last past or the taxable year then current unless such proceedings be brought without delay, the Commissioner shall declare the taxable period for such taxpayer immediately terminated and shall cause notice of such finding and declaration to be given the taxpayer, together with a demand for immediate payment of the tax for the taxable period so declared terminated and of the tax for the preceding taxable year or so much of such tax as is unpaid, whether or not the time otherwise allowed by law for filing return and paying the tax has expired; and such taxes shall thereupon become immediately due and payable. In any proceeding in court brought to enforce payment of taxes made due and payable by virtue of the provisions of this section the finding of the Commissioner, made as herein provided, whether made after notice to the taxpayer or not, shall be for all purposes presumptive evidence of the taxpayer's design.

(2) CORPORATION IN LIQUIDATION.—If the Commissioner finds that the collection of the tax of a corporation for the current or last preceding taxable year will be jeopardized by the distribution of all or a portion of the assets of such corporation in the liquidation of the whole or any part of its capital stock, the Commissioner shall declare the taxable period for such taxpayer immediately terminated and shall cause notice of such finding and declaration to be given the taxpayer, together with a demand for immediate payment of the tax for the taxable period so declared terminated and of the tax for the last preceding taxable year or so much of such tax as is unpaid, whether or not the time otherwise allowed by law for filing return and paying the tax has expired; and such taxes shall thereupon become immediately due and payable.

(b) SECURITY FOR PAYMENT.—A taxpayer who is not in default in making any return or paying income, war-profits, or excess-profits tax under any Act of Congress may furnish to the United States, under regulations to be prescribed by the Commissioner, with the approval of the Secretary, security approved by the Commissioner that he will duly make the return next thereafter required to be filed and pay the tax next thereafter required to be paid. The Commissioner may approve and accept in like manner security for return and payment of taxes made due and payable by virtue of the provisions of this section, provided the taxpayer has paid in full all other income, war-profits, or excess-profits taxes due from him under any Act of Congress.

(c) SAME—EXEMPTION FROM SECTION.—If security is approved and accepted pursuant to the provisions of this section and such further or other security with respect to the tax or taxes covered thereby is given as the Commissioner shall from time to time find necessary and require, payment of such taxes shall not be enforced by any proceedings under the provisions of this section prior to the expiration of the time otherwise allowed for paying such respective taxes.

(d) CITIZENS.—In the case of a citizen of the United States or of a possession of the United States about to depart from the United States the Commissioner may, at his discretion, waive any or all of the requirements placed on the taxpayer by this section.

(e) DEPARTURE OF ALIEN.—No alien shall depart from the United States unless he first procures from the collector or agent in charge

a certificate that he has complied with all the obligations imposed upon him by the income, war-profits, and excess-profits tax laws.

(f) **ADDITION TO TAX.**—If a taxpayer violates or attempts to violate this section there shall, in addition to all other penalties, be added as part of the tax 25 per centum of the total amount of the tax or deficiency in the tax, together with interest at the rate of 6 per centum per annum from the time the tax became due.

Addition to tax for violation.

#### SEC. 147. INFORMATION AT SOURCE.

(a) **PAYMENTS OF \$1,000 OR MORE.**—All persons, in whatever capacity acting, including lessees or mortgagors of real or personal property, fiduciaries, and employers, making payment to another person, of interest, rent, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, or other fixed or determinable gains, profits, and income (other than payments described in section 148 (a) or 149), of \$1,000 or more in any taxable year, or, in the case of such payments made by the United States, the officers or employees of the United States having information as to such payments and required to make returns in regard thereto by the regulations hereinafter provided for, shall render a true and accurate return to the Commissioner, under such regulations and in such form and manner and to such extent as may be prescribed by him with the approval of the Secretary, setting forth the amount of such gains, profits, and income, and the name and address of the recipient of such payment.

Information at source.

Payments of \$1,000 or more.

Exceptions.

(b) **RETURNS REGARDLESS OF AMOUNT OF PAYMENT.**—Such returns may be required, regardless of amounts, (1) in the case of payments of interest upon bonds, mortgages, deeds of trust, or other similar obligations of corporations, and (2) in the case of collections of items (not payable in the United States) of interest upon the bonds of foreign countries and interest upon the bonds of and dividends from foreign corporations by persons undertaking as a matter of business or for profit the collection of foreign payments of such interest or dividends by means of coupons, checks, or bills of exchange.

Returns regardless of amount of payment.  
Interest on corporation bonds, etc.  
Collections of interest on foreign bonds, etc.

(c) **RECIPIENT TO FURNISH NAME AND ADDRESS.**—When necessary to make effective the provisions of this section the name and address of the recipient of income shall be furnished upon demand of the person paying the income.

Recipient to furnish name and address.

(d) **OBLIGATIONS OF UNITED STATES.**—The provisions of this section shall not apply to the payment of interest on obligations of the United States.

Interest on Federal obligations.

#### SEC. 148. INFORMATION BY CORPORATIONS.

(a) **DIVIDEND PAYMENTS.**—Every corporation shall, when required by the Commissioner, render a correct return, duly verified under oath, of its payments of dividends, stating the name and address of each shareholder, the number of shares owned by him, and the amount of dividends paid to him.

Information by corporations.

Dividend payments.

(b) **PROFITS DECLARED AS DIVIDENDS.**—Every corporation shall, when required by the Commissioner, furnish him a statement of such facts as will enable him to determine the portion of the earnings or profits of the corporation (including gains, profits, and income not taxed) accumulated during such periods as the Commissioner may specify, which have been distributed or ordered to be distributed, respectively, to its shareholders during such taxable years as the Commissioner may specify.

Profits declared as dividends.

(c) **ACCUMULATED EARNINGS AND PROFITS.**—When requested by the Commissioner, or any collector, every corporation shall forward

Accumulated earnings and profits.

to him a correct statement of accumulated earnings and profits and the names and addresses of the individuals or shareholders who would be entitled to the same if divided or distributed, and of the amounts that would be payable to each.

Contemplated dissolution or liquidation.

(d) **CONTEMPLATED DISSOLUTION OR LIQUIDATION.**—Every corporation shall, within thirty days after the adoption by the corporation of a resolution or plan for the dissolution of the corporation or for the liquidation of the whole or any part of its capital stock, render a correct return to the Commissioner, verified under oath, setting forth the terms of such resolution or plan and such other information as the Commissioner shall, with the approval of the Secretary, by regulations prescribe.

Distributions in liquidation.

(e) **DISTRIBUTIONS IN LIQUIDATION.**—Every corporation shall, when required by the Commissioner, render a correct return, duly verified under oath, of its distributions in liquidation, stating the name and address of each shareholder, the number and class of shares owned by him, and the amount paid to him or, if the distribution is in property other than money, the fair market value (as of the date the distribution is made) of the property distributed to him.

Compensation of officers and employees.

(f) **COMPENSATION OF OFFICERS AND EMPLOYEES.**—Under regulations prescribed by the Commissioner with the approval of the Secretary, every corporation subject to taxation under this title shall, in its return, submit a list of the names of all officers and employees of such corporation and the respective amounts paid to them during the taxable year of the corporation by the corporation as salary, commission, bonus, or other compensation for personal services rendered, if the aggregate amount so paid to the individual is in excess of \$75,000. The Secretary of the Treasury shall compile from the returns made a list containing the names of, and the amounts paid to, each such officer and employee and the name of the paying corporation, and shall make such list available to the public.

Compilation of returns to be made.

Returns of brokers.

#### SEC. 149. RETURNS OF BROKERS.

Sworn returns of all business transactions.

Every person doing business as a broker shall, when required by the Commissioner, render a correct return duly verified under oath, under such rules and regulations as the Commissioner, with the approval of the Secretary, may prescribe, showing the names of customers for whom such person has transacted any business, with such details as to the profits, losses, or other information which the Commissioner may require, as to each of such customers, as will enable the Commissioner to determine whether all income tax due on profits or gains of such customers has been paid.

Collection of foreign items.

#### SEC. 150. COLLECTION OF FOREIGN ITEMS.

License for collecting foreign payments of interest, etc.

All persons undertaking as a matter of business or for profit the collection of foreign payments of interest or dividends by means of coupons, checks, or bills of exchange shall obtain a license from the Commissioner and shall be subject to such regulations enabling the Government to obtain the information required under this title as the Commissioner, with the approval of the Secretary, shall prescribe; and whoever knowingly undertakes to collect such payments without having obtained a license therefor, or without complying with such regulations, shall be guilty of a misdemeanor and shall be fined not more than \$5,000 or imprisoned for not more than one year, or both.

Penalty for violation.

#### SEC. 151. FOREIGN PERSONAL HOLDING COMPANIES.

Foreign personal holding companies.  
Information returns, etc.  
Post, pp. 551-552.

For information returns by officers, directors, and large shareholders, with respect to foreign personal holding companies, see sections 338, 339, and 340.

## Supplement E—Estates and Trusts

### SEC. 161. IMPOSITION OF TAX.

(a) **APPLICATION OF TAX.**—The taxes imposed by this title upon individuals shall apply to the income of estates or of any kind of property held in trust, including—

(1) Income accumulated in trust for the benefit of unborn or unascertained persons or persons with contingent interests, and income accumulated or held for future distribution under the terms of the will or trust;

(2) Income which is to be distributed currently by the fiduciary to the beneficiaries, and income collected by a guardian of an infant which is to be held or distributed as the court may direct;

(3) Income received by estates of deceased persons during the period of administration or settlement of the estate; and

(4) Income which, in the discretion of the fiduciary, may be either distributed to the beneficiaries or accumulated.

(b) **COMPUTATION AND PAYMENT.**—The tax shall be computed upon the net income of the estate or trust, and shall be paid by the fiduciary, except as provided in section 166 (relating to revocable trusts) and section 167 (relating to income for benefit of the grantor). For return made by fiduciary, see section 142.

### SEC. 162. NET INCOME.

The net income of the estate or trust shall be computed in the same manner and on the same basis as in the case of an individual, except that—

(a) There shall be allowed as a deduction (in lieu of the deduction for charitable, etc., contributions authorized by section 23 (o)) any part of the gross income, without limitation, which pursuant to the terms of the will or deed creating the trust, is during the taxable year paid or permanently set aside for the purposes and in the manner specified in section 23 (o), or is to be used exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, or for the establishment, acquisition, maintenance or operation of a public cemetery not operated for profit;

(b) There shall be allowed as an additional deduction in computing the net income of the estate or trust the amount of the income of the estate or trust for its taxable year which is to be distributed currently by the fiduciary to the beneficiaries<sup>1</sup>, and the amount of the income collected by a guardian of an infant which is to be held or distributed as the court may direct, but the amount so allowed as a deduction shall be included in computing the net income of the beneficiaries whether distributed to them or not. Any amount allowed as a deduction under this paragraph shall not be allowed as a deduction under subsection (c) of this section in the same or any succeeding taxable year;

(c) In the case of income received by estates of deceased persons during the period of administration or settlement of the estate, and in the case of income which, in the discretion of the fiduciary, may be either distributed to the beneficiary or accumulated, there shall be allowed as an additional deduction in computing the net income of the estate or trust the amount of the income of the estate or trust for its taxable year, which is properly paid or credited during such

Estates and trusts.

Imposition of tax.

Application of tax.

Income accumulated in trust, etc.

Income for current distribution, etc.

Income from estates of deceased persons.

Income when distribution discretionary.

Computation and payment.  
Exception.  
*Post*, p. 519.

*Ante*, p. 510.

Net income.

Computation.

Deduction without limitation of gifts, etc., under will or trust.  
*Ante*, p. 463.

Additional deductions for current distributions by fiduciary.

Limitation.

Payments made or credited to beneficiary.

<sup>1</sup> So in original.

Deductions to be included in net income of beneficiary, etc.

year to any legatee, heir, or beneficiary, but the amount so allowed as a deduction shall be included in computing the net income of the legatee, heir, or beneficiary.

Credits against net income.  
Credits of estate or trust.

#### SEC. 163. CREDITS AGAINST NET INCOME.

##### (a) CREDITS OF ESTATE OR TRUST.—

(1) For the purpose of the normal tax and the surtax an estate shall be allowed the same personal exemption as is allowed to a single person under section 25 (b) (1), and a trust shall be allowed (in lieu of the personal exemption under section 25 (b) (1)) a credit of \$100 against net income.

(2) If no part of the income of the estate or trust is included in computing the net income of any legatee, heir, or beneficiary, then the estate or trust shall be allowed the same credits against net income for interest as are allowed by section 25 (a).

*Ante*, p. 467.

*Ante*, p. 466.  
Credits of beneficiary.

(b) CREDITS OF BENEFICIARY.—If any part of the income of an estate or trust is included in computing the net income of any legatee, heir, or beneficiary, such legatee, heir, or beneficiary shall, for the purpose of the normal tax, be allowed as credits against net income, in addition to the credits allowed to him under section 25, his proportionate share of such amounts of interest specified in section 25 (a) as are, under this Supplement, required to be included in computing his net income. Any remaining portion of such amounts specified in section 25 (a) shall, for the purpose of the normal tax, be allowed as credits to the estate or trust.

Different taxable years.

Computation, if taxable year of estate or trust and beneficiary differ.

#### SEC. 164. DIFFERENT TAXABLE YEARS.

If the taxable year of a beneficiary is different from that of the estate or trust, the amount which he is required, under section 162 (b), to include in computing his net income, shall be based upon the income of the estate or trust for any taxable year of the estate or trust (whether beginning on, before, or after January 1, 1938) ending within or with his taxable year.

Employees' trusts.

#### SEC. 165. EMPLOYEES' TRUSTS.

Exemption from tax.

(a) EXEMPTION FROM TAX.—A trust forming part of a stock bonus, pension, or profit-sharing plan of an employer for the exclusive benefit of some or all of his employees—

(1) if contributions are made to the trust by such employer, or employees, or both, for the purpose of distributing to such employees the earnings and principal of the fund accumulated by the trust in accordance with such plan, and

(2) if under the trust instrument it is impossible, at any time prior to the satisfaction of all liabilities with respect to employees under the trust, for any part of the corpus or income to be (within the taxable year or thereafter) used for, or diverted to, purposes other than for the exclusive benefit of his employees, shall not be taxable under section 161, but the amount actually distributed or made available to any distributee shall be taxable to him in the year in which so distributed or made available to the extent that it exceeds the amounts paid in by him. Such distributees shall for the purpose of the normal tax be allowed as credits against net income such part of the amount so distributed or made available as represents the items of interest specified in section 25 (a).

*Ante*, p. 517.

*Ante*, p. 466.  
Taxable year beginning before January 1, 1939.

(b) TAXABLE YEAR BEGINNING BEFORE JANUARY 1, 1939.—The provisions of clause (2) of subsection (a) shall not apply to a taxable year beginning before January 1, 1939.

**SEC. 166. REVOCABLE TRUSTS.**

Revocable trusts.

Where at any time the power to revest in the grantor title to any part of the corpus of the trust is vested—

Computation of income with grantor's net income.

(1) in the grantor, either alone or in conjunction with any person not having a substantial adverse interest in the disposition of such part of the corpus or the income therefrom, or

(2) in any person not having a substantial adverse interest in the disposition of such part of the corpus or the income therefrom,

then the income of such part of the trust shall be included in computing the net income of the grantor.

**SEC. 167. INCOME FOR BENEFIT OF GRANTOR.**

Income for benefit of grantor.

(a) Where any part of the income of a trust—

(1) is, or in the discretion of the grantor or of any person not having a substantial adverse interest in the disposition of such part of the income may be, held or accumulated for future distribution to the grantor; or

Computation of income with grantor's net income.

(2) may, in the discretion of the grantor or of any person not having a substantial adverse interest in the disposition of such part of the income, be distributed to the grantor; or

(3) is, or in the discretion of the grantor or of any person not having a substantial adverse interest in the disposition of such part of the income may be, applied to the payment of premiums upon policies of insurance on the life of the grantor (except policies of insurance irrevocably payable for the purposes and in the manner specified in section 23 (o), relating to the so-called "charitable contribution" deduction);

*Ante*, p. 463.

then such part of the income of the trust shall be included in computing the net income of the grantor.

(b) As used in this section, the term "in the discretion of the grantor" means "in the discretion of the grantor, either alone or in conjunction with any person not having a substantial adverse interest in the disposition of the part of the income in question".

"In the discretion of the grantor" defined.

**SEC. 168. TAXES OF FOREIGN COUNTRIES AND POSSESSIONS OF UNITED STATES.**

The amount of income, war-profits, and excess-profits taxes imposed by foreign countries or possessions of the United States shall be allowed as credit against the tax of the beneficiary of an estate or trust to the extent provided in section 131.

Taxes of foreign countries and possessions of United States.

*Ante*, p. 506.

**SEC. 169. COMMON TRUST FUNDS.**

Common trust funds.

(a) **DEFINITIONS.**—The term "common trust fund" means a fund maintained by a bank (as defined in section 104)—

Definitions.

*Ante*, p. 484.

(1) exclusively for the collective investment and reinvestment of moneys contributed thereto by the bank in its capacity as a trustee, executor, administrator, or guardian; and

(2) in conformity with the rules and regulations, prevailing from time to time, of the Board of Governors of the Federal Reserve System pertaining to the collective investment of trust funds by national banks.

(b) **TAXATION OF COMMON TRUST FUNDS.**—A common trust fund shall not be subject to taxation under this title, Title IA, or section 105 or 106 of the Revenue Act of 1935, or section 601 or 602 of this Act, and for the purposes of such titles and sections shall not be considered a corporation.

Taxation of common trust funds.  
*Post*, p. 537.  
49 Stat. 1017.  
*Post*, p. 566.

Income of participants in fund.  
Inclusions in net income.

(c) **INCOME OF PARTICIPANTS IN FUND.—**

(1) **INCLUSIONS IN NET INCOME.**—Each participant in the common trust fund in computing its net income shall include, whether or not distributed and whether or not distributable—

(A) As a part of its short-term capital gains or losses, its proportionate share of the net short-term capital gain or loss of the common trust fund;

(B) As a part of its long-term capital gains or losses, its proportionate share of the net long-term capital gain or loss of the common trust fund;

(C) Its proportionate share of the ordinary net income or the ordinary net loss of the common trust fund, computed as provided in subsection (d).

Credit for partially exempt interest.

*Ante*, p. 466.

(2) **CREDIT FOR PARTIALLY EXEMPT INTEREST.**—The proportionate share of each participant in the amount of interest specified in section 25 (a) received by the common trust fund shall for the purposes of this Supplement be considered as having been received by such participant as such interest.

Computation of common trust fund income.

(d) **COMPUTATION OF COMMON TRUST FUND INCOME.**—The net income of the common trust fund shall be computed in the same manner and on the same basis as in the case of an individual, except that—

(1) There shall be segregated the short-term capital gains and losses and the long-term capital gains and losses, and the net short-term capital gain or loss and the net long-term capital gain or loss shall be computed;

(2) After excluding all items of either short-term or long-term capital gain or loss, there shall be computed—

(A) An ordinary net income which shall consist of the excess of the gross income over the deductions; or

(B) An ordinary net loss which shall consist of the excess of the deductions over the gross income;

(3) The so-called "charitable contribution" deduction allowed by section 23 (o) shall not be allowed.

*Ante*, p. 463.

Admission and withdrawal.

(e) **ADMISSION AND WITHDRAWAL.**—No gain or loss shall be realized by the common trust fund by the admission or withdrawal of a participant. The withdrawal of any participating interest by a participant shall be treated as a sale or exchange of such interest by the participant.

Returns by bank.  
*Ante*, p. 484.

(f) **RETURNS BY BANK.**—Every bank (as defined in section 104) maintaining a common trust fund shall make a return under oath for each taxable year, stating specifically, with respect to such fund, the items of gross income and the deductions allowed by this title, and shall include in the return the names and addresses of the participants who would be entitled to share in the net income if distributed and the amount of the proportionate share of each participant. The return shall be sworn to as in the case of a return filed by the bank under section 52.

*Ante*, p. 476.

Different taxable years of common trust fund and participant.  
General rule.

(g) **DIFFERENT TAXABLE YEARS OF COMMON TRUST FUND AND PARTICIPANT.—**

(1) **GENERAL RULE.**—If the taxable year of the common trust fund is different from that of a participant, the inclusions with respect to the net income of the common trust fund, in computing the net income of the participant for its taxable year shall be based upon the net income of the common trust fund for any taxable year of the common trust fund (whether beginning on, before, or after January 1, 1938) ending within or with the taxable year of the participant.

(2) **EXCEPTION.**—If the taxable year of the common trust fund begins before January 1, 1938, and the taxable year of a participant begins after December 31, 1937, the computation of the net income of the common trust fund, and the inclusions with respect to the common trust fund net income, in computing the net income of such participant, shall be made by the method provided in section 169 of the Revenue Act of 1936, and not by the method provided in subsections (c) and (d) of this section.

Exception.

49 Stat. 1708.

### Supplement F—Partnerships

Partnerships.

#### SEC. 181. PARTNERSHIP NOT TAXABLE.

Partnership not taxable.  
Individual liability.

Individuals carrying on business in partnership shall be liable for income tax only in their individual capacity.

#### SEC. 182. TAX OF PARTNERS.

Tax of partners.

In computing the net income of each partner, he shall include, whether or not distribution is made to him—

Computation.

(a) As a part of his short-term capital gains or losses, his distributive share of the net short-term capital gain or loss of the partnership.

(b) As a part of his long-term capital gains or losses, his distributive share of the net long-term capital gain or loss of the partnership.

(c) His distributive share of the ordinary net income or the ordinary net loss of the partnership, computed as provided in section 183 (b).

#### SEC. 183. COMPUTATION OF PARTNERSHIP INCOME.

Computation of partnership income.  
General rule.

(a) **GENERAL RULE.**—The net income of the partnership shall be computed in the same manner and on the same basis as in the case of an individual, except as provided in subsections (b) and (c).

(b) **SEGREGATION OF ITEMS.**—

Segregation of items.  
Capital gains and losses.

(1) **CAPITAL GAINS AND LOSSES.**—There shall be segregated the short-term capital gains and losses and the long-term capital gains and losses, and the net short-term capital gain or loss and the net long-term capital gain or loss shall be computed.

(2) **ORDINARY NET INCOME OR LOSS.**—After excluding all items of either short-term or long-term capital gain or loss, there shall be computed—

Ordinary net income or loss.

(A) An ordinary net income which shall consist of the excess of the gross income over the deductions; or

(B) An ordinary net loss which shall consist of the excess of the deductions over the gross income.

(c) **CHARITABLE CONTRIBUTIONS.**—In computing the net income of the partnership the so-called “charitable contribution” deduction allowed by section 23 (c) shall not be allowed; but each partner shall be considered as having made payment, within his taxable year, of his distributive portion of any contribution or gift, payment of which was made by the partnership within its taxable year, of the character which would be allowed to the partnership as a deduction under such section if this subsection had not been enacted.

Charitable contributions.

*Ante*, p. 463.

#### SEC. 184. CREDITS AGAINST NET INCOME.

The partner shall, for the purpose of the normal tax, be allowed as a credit against his net income, in addition to the credits allowed to him under section 25, his proportionate share of such amounts (not in excess of the net income of the partnership) of interest specified in section 25 (a) as are received by the partnership.

Credits against net income.

*Ante*, p. 466.



Earned income.	<b>SEC. 185. EARNED INCOME.</b>
Determination.	In the case of the members of a partnership the proper part of each share of the net income which consists of earned income shall be determined under rules and regulations to be prescribed by the Commissioner with the approval of the Secretary and shall be separately shown in the return of the partnership.
Foreign, etc., taxes.	<b>SEC. 186. TAXES OF FOREIGN COUNTRIES AND POSSESSIONS OF UNITED STATES.</b>
Credit for, allowed partners.	The amount of income, war-profits, and excess-profits taxes imposed by foreign countries or possessions of the United States shall be allowed as a credit against the tax of the member of a partnership to the extent provided in section 131.
<i>Ante</i> , p. 506.	
Partnership returns.	<b>SEC. 187. PARTNERSHIP RETURNS.</b>
Sworn statement of gross income, etc.	Every partnership shall make a return for each taxable year, stating specifically the items of its gross income and the deductions allowed by this title and such other information for the purpose of carrying out the provisions of this title as the Commissioner with the approval of the Secretary may by regulations prescribe, and shall include in the return the names and addresses of the individuals who would be entitled to share in the net income if distributed and the amount of the distributive share of each individual. The return shall be sworn to by any one of the partners.
Different taxable years of partner and partnership.	<b>SEC. 188. DIFFERENT TAXABLE YEARS OF PARTNER AND PARTNERSHIP.</b>
General rule.	(a) <b>GENERAL RULE.</b> —If the taxable year of a partner is different from that of the partnership, the inclusions with respect to the net income of the partnership, in computing the net income of the partner for his taxable year, shall be based upon the net income of the partnership for any taxable year of the partnership (whether beginning on, before, or after January 1, 1938) ending within or with the taxable year of the partner.
Basis of computation.	(b) <b>PARTNERSHIP YEAR BEGINNING IN 1937.</b> —If the taxable year of the partnership begins before January 1, 1938, and the taxable year of a partner begins after December 31, 1937, the computation of the net income of the partnership, and the inclusions with respect to the partnership net income, in computing the net income of such partner, shall be made by the method provided in sections 182 and 183 of the Revenue Act of 1936 and not by the method provided in sections 182 and 183 of this Act.
Partnership year beginning in 1937.	
49 Stat. 1709. <i>Ante</i> , pp. 521-522.	
Insurance companies.	<b>Supplement G—Insurance Companies</b>
Tax on life insurance companies.	<b>SEC. 201. TAX ON LIFE INSURANCE COMPANIES.</b>
"Life insurance company" defined.	(a) <b>DEFINITION.</b> —When used in this title the term "life insurance company" means an insurance company engaged in the business of issuing life insurance and annuity contracts (including contracts of combined life, health, and accident insurance), the reserve funds of which held for the fulfillment of such contracts comprise more than 50 per centum of its total reserve funds.
Imposition of tax.	(b) <b>IMPOSITION OF TAX.</b> —
Rate on special class net income.	(1) <b>IN GENERAL.</b> —In lieu of the tax imposed by sections 13 and 14, there shall be levied, collected, and paid for each taxable year upon the special class net income of every life insurance company a tax of 16½ per centum of the amount thereof.
<i>Ante</i> , pp. 455-456.	

(2) **SPECIAL CLASS NET INCOME OF FOREIGN LIFE INSURANCE COMPANIES.**—In the case of a foreign life insurance company, the special class net income shall be an amount which bears the same ratio to the special class net income, computed without regard to this paragraph, as the reserve funds required by law and held by it at the end of the taxable year upon business transacted within the United States bear to the reserve funds held by it at the end of the taxable year upon all business transacted.

Foreign companies,  
special class net in-  
come.

(3) **NO UNITED STATES INSURANCE BUSINESS.**—Foreign life insurance companies not carrying on an insurance business within the United States and holding no reserve funds upon business transacted within the United States, shall not be taxable under this section but shall be taxable as other foreign corporations.

No United States  
insurance business.

## SEC. 202. GROSS INCOME OF LIFE INSURANCE COMPANIES.

(a) In the case of a life insurance company the term "gross income" means the gross amount of income received during the taxable year from interest, dividends, and rents. For inclusion in computation of tax of amount specified in shareholder's consent, see section 28.

Gross income of life  
insurance companies.

"Gross income" de-  
fined.

*Ante*, p. 470.

(b) The term "reserve funds required by law" includes, in the case of assessment insurance, sums actually deposited by any company or association with State or Territorial officers pursuant to law as guaranty or reserve funds, and any funds maintained under the charter or articles of incorporation of the company or association exclusively for the payment of claims arising under certificates of membership or policies issued upon the assessment plan and not subject to any other use.

"Reserve funds re-  
quired by law."

## SEC. 203. NET INCOME OF LIFE INSURANCE COMPANIES.

(a) **GENERAL RULE.**—In the case of a life insurance company the term "net income" means the gross income less—

Net income of life  
insurance companies.

General rule.

(1) **TAX-FREE INTEREST.**—The amount of interest received during the taxable year which under section 22 (b) (4) is excluded from gross income;

Tax-free interest.  
*Ante*, p. 458.

(2) **RESERVE FUNDS.**—An amount equal to 4 per centum of the mean of the reserve funds required by law and held at the beginning and end of the taxable year, except that in the case of any such reserve fund which is computed at a lower interest assumption rate, the rate of  $3\frac{3}{4}$  per centum shall be substituted for 4 per centum. Life insurance companies issuing policies covering life, health, and accident insurance combined in one policy issued on the weekly premium payment plan, continuing for life and not subject to cancellation, shall be allowed, in addition to the above, a deduction of  $3\frac{3}{4}$  per centum of the mean of such reserve funds (not required by law) held at the beginning and end of the taxable year, as the Commissioner finds to be necessary for the protection of the holders of such policies only;

Reserve funds.

Policies of combined  
insurance.

(3) **RESERVE FOR DIVIDENDS.**—An amount equal to 2 per centum of any sums held at the end of the taxable year as a reserve for dividends (other than dividends payable during the year following the taxable year) the payment of which is deferred for a period of not less than five years from the date of the policy contract;

Reserve for divi-  
dends.

Investment ex-  
penses.  
*Proviso.*  
Limitation on de-  
duction.

Realestate expenses.

If tax paid on share-  
holder's interest.

Property deprecia-  
tion.  
*Ante*, p. 462.

Interest on indebt-  
edness; exception.

Rental value of real  
estate.

Insurance com-  
panies other than life  
or mutual.  
Imposition of tax.  
In general.  
*Ante*, pp. 455-456.

Foreign companies,  
special class net in-  
come.

Deductions.  
Interest on Federal  
obligations.  
*Ante*, p. 467.

Dividends received.  
*Ante*, p. 467.

No United States  
insurance business.

(4) **INVESTMENT EXPENSES.**—Investment expenses paid during the taxable year: *Provided*, That if any general expenses are in part assigned to or included in the investment expenses, the total deduction under this paragraph shall not exceed one-fourth of 1 per centum of the book value of the mean of the invested assets held at the beginning and end of the taxable year;

(5) **REAL ESTATE EXPENSES.**—Taxes and other expenses paid during the taxable year exclusively upon or with respect to the real estate owned by the company, not including taxes assessed against local benefits of a kind tending to increase the value of the property assessed, and not including any amount paid out for new buildings, or for permanent improvements or betterments made to increase the value of any property. The deduction allowed by this paragraph shall be allowed in the case of taxes imposed upon a shareholder of a company upon his interest as shareholder, which are paid by the company without reimbursement from the shareholder, but in such cases no deduction shall be allowed the shareholder for the amount of such taxes;

(6) **DEPRECIATION.**—A reasonable allowance, as provided in section 23 (1), for the exhaustion, wear and tear of property, including a reasonable allowance for obsolescence; and

(7) **INTEREST.**—All interest paid within the taxable year on its indebtedness, except on indebtedness incurred or continued to purchase or carry obligations (other than obligations of the United States issued after September 24, 1917, and originally subscribed for by the taxpayer) the interest upon which is wholly exempt from taxation under this title.

(b) **RENTAL VALUE OF REAL ESTATE.**—The deduction under subsection (a) (5) or (6) of this section on account of any real estate owned and occupied in whole or in part by a life insurance company, shall be limited to an amount which bears the same ratio to such deduction (computed without regard to this subsection) as the rental value of the space not so occupied bears to the rental value of the entire property.

## SEC. 204. INSURANCE COMPANIES OTHER THAN LIFE OR MUTUAL.

### (a) IMPOSITION OF TAX.—

(1) **IN GENERAL.**—In lieu of the tax imposed by sections 13 and 14, there shall be levied, collected, and paid for each taxable year upon the special class net income of every insurance company (other than a life or mutual insurance company) a tax of 16½ per centum of the amount thereof.

(2) **SPECIAL CLASS NET INCOME OF FOREIGN COMPANIES.**—In the case of a foreign insurance company (other than a life or mutual insurance company), the special class net income shall be the net income from sources within the United States minus the sum of—

(A) **INTEREST ON OBLIGATIONS OF THE UNITED STATES AND ITS INSTRUMENTALITIES.**—The credit provided in section 26 (a).

(B) **DIVIDENDS RECEIVED.**—The credit provided in section 26 (b).

(3) **NO UNITED STATES INSURANCE BUSINESS.**—Foreign insurance companies not carrying on an insurance business within the United States shall not be taxable under this section but shall be taxable as other foreign corporations.

(b) **DEFINITION OF INCOME, ETC.**—In the case of an insurance company subject to the tax imposed by this section—

(1) **GROSS INCOME.**—“Gross income” means the sum of (A) the combined gross amount earned during the taxable year, from investment income and from underwriting income as provided in this subsection, computed on the basis of the underwriting and investment exhibit of the annual statement approved by the National Convention of Insurance Commissioners, and (B) gain during the taxable year from the sale or other disposition of property, and (C) all other items constituting gross income under section 22;

(2) **NET INCOME.**—“Net income” means the gross income as defined in paragraph (1) of this subsection less the deductions allowed by subsection (c) of this section;

(3) **INVESTMENT INCOME.**—“Investment income” means the gross amount of income earned during the taxable year from interest, dividends, and rents, computed as follows:

To all interest, dividends and rents received during the taxable year, add interest, dividends and rents due and accrued at the end of the taxable year, and deduct all interest, dividends and rents due and accrued at the end of the preceding taxable year;

(4) **UNDERWRITING INCOME.**—“Underwriting income” means the premiums earned on insurance contracts during the taxable year less losses incurred and expenses incurred;

(5) **PREMIUMS EARNED.**—“Premiums earned on insurance contracts during the taxable year” means an amount computed as follows:

From the amount of gross premiums written on insurance contracts during the taxable year, deduct return premiums and premiums paid for reinsurance. To the result so obtained add unearned premiums on outstanding business at the end of the preceding taxable year and deduct unearned premiums on outstanding business at the end of the taxable year;

(6) **LOSSES INCURRED.**—“Losses incurred” means losses incurred during the taxable year on insurance contracts, computed as follows:

To losses paid during the taxable year, add salvage and reinsurance recoverable outstanding at the end of the preceding taxable year, and deduct salvage and reinsurance recoverable outstanding at the end of the taxable year. To the result so obtained add all unpaid losses outstanding at the end of the taxable year and deduct unpaid losses outstanding at the end of the preceding taxable year;

(7) **EXPENSES INCURRED.**—“Expenses incurred” means all expenses shown on the annual statement approved by the National Convention of Insurance Commissioners, and shall be computed as follows:

To all expenses paid during the taxable year add expenses unpaid at the end of the taxable year and deduct expenses unpaid at the end of the preceding taxable year. For the purpose of computing the net income subject to the tax imposed by this section there shall be deducted from expenses incurred as defined in this paragraph all expenses incurred which are not allowed as deductions by subsection (c) of this section.

(c) **DEDUCTIONS ALLOWED.**—In computing the net income of an insurance company subject to the tax imposed by this section there shall be allowed as deductions:

(1) All ordinary and necessary expenses incurred, as provided in section 23 (a);

Definitions.

“Gross income.”

*Ante*, p. 457.

“Net income.”

“Investment income.”

“Underwriting income.”

“Premiums earned on insurance contracts during the taxable year.”

“Losses incurred.”

“Expenses incurred.”

Deductions allowed

Business expenses.  
*Ante*, p. 460.

Interest.	(2) All interest as provided in section 23 (b) ;
Taxes.	(3) Taxes as provided in section 23 (c) ;
Losses.	(4) Losses incurred as defined in subsection (b) (6) of this section ;
Losses from sales; limitation. <i>Ante</i> , p. 502.	(5) Subject to the limitation contained in section 117 (d), losses sustained during the taxable year from the sale or other disposition of property ;
Bad debts, etc.	(6) Bad debts in the nature of agency balances and bills receivable ascertained to be worthless and charged off within the taxable year ;
Exempt interest. <i>Ante</i> , p. 458.	(7) The amount of interest earned during the taxable year which under section 22 (b) (4) is excluded from gross income ;
Exhaustion, etc., of property. <i>Ante</i> , p. 462.	(8) A reasonable allowance for the exhaustion, wear and tear of property, as provided in section 23 (1) ;
Charitable, etc., contributions. <i>Ante</i> , p. 464.	(9) Charitable, and so forth, contributions, as provided in section 23 (q) ;
Other deductions. <i>Ante</i> , p. 460.	(10) Deductions (other than those specified in this subsection) as provided in section 23, but not in excess of the amount of the gross income included under subsection (b) (1) (C) of this section.
Deductions of foreign corporations.  <i>Post</i> , p. 530.	(d) DEDUCTIONS OF FOREIGN CORPORATIONS.—In the case of a foreign corporation the deductions allowed in this section shall be allowed to the extent provided in Supplement I in the case of a foreign corporation engaged in trade or business within the United States or having an office or place of business therein.
Double deductions, restriction.	(e) DOUBLE DEDUCTIONS.—Nothing in this section shall be construed to permit the same item to be twice deducted.
Foreign, etc., taxes.	<b>SEC. 205. TAXES OF FOREIGN COUNTRIES AND POSSESSIONS OF UNITED STATES.</b>
Credit for, allowed domestic insurance companies.  <i>Ante</i> , pp. 522, 524. <i>Ante</i> , p. 506.	The amount of income, war-profits, and excess-profits taxes imposed by foreign countries or possessions of the United States shall be allowed as a credit against the tax of a domestic insurance company subject to the tax imposed by section 201, 204, or 207, to the extent provided in the case of a domestic corporation in section 131, and in the case of the tax imposed by section 201 or 204 "net income" as used in section 131 means the net income as defined in this Supplement.
"Net income" construed.	
Computation of gross income.	<b>SEC. 206. COMPUTATION OF GROSS INCOME.</b>
<i>Ante</i> , pp. 522, 524, 503.	The gross income of insurance companies subject to the tax imposed by section 201 or 204 shall not be determined in the manner provided in section 119.
Mutual companies other than life.	<b>SEC. 207. MUTUAL INSURANCE COMPANIES OTHER THAN LIFE.</b>
Imposition of tax. <i>In general</i> .	(a) IMPOSITION OF TAX.—
	(1) IN GENERAL.—There shall be levied, collected, and paid for each taxable year upon the special class net income of every mutual insurance company (other than a life insurance company) a tax equal to 16½ per centum thereof.
Foreign corporations.	(2) FOREIGN CORPORATIONS.—The tax imposed by paragraph (1) shall apply to foreign corporations as well as domestic corporations; but foreign insurance companies not carrying on an insurance business within the United States shall be taxable as other foreign corporations.
Gross income.	(b) GROSS INCOME.—Mutual marine-insurance companies shall include in gross income the gross premiums collected and received by them less amounts paid for reinsurance.

(c) **DEDUCTIONS.**—In addition to the deductions allowed to corporations by section 23 the following deductions to insurance companies shall also be allowed, unless otherwise allowed—

Deductions.  
*Ante*, p. 460.

(1) **MUTUAL INSURANCE COMPANIES OTHER THAN LIFE INSURANCE.**—In the case of mutual insurance companies other than life insurance companies—

Mutual, other than life insurance companies.

(A) the net addition required by law to be made within the taxable year to reserve funds (including in the case of assessment insurance companies the actual deposit of sums with State or Territorial officers pursuant to law as additions to guarantee or reserve funds); and

(B) the sums other than dividends paid within the taxable year on policy and annuity contracts.

(2) **MUTUAL MARINE INSURANCE COMPANIES.**—In the case of mutual marine insurance companies, in addition to the deductions allowed in paragraph (1) of this subsection, unless otherwise allowed, amounts repaid to policyholders on account of premiums previously paid by them, and interest paid upon such amounts between the ascertainment and the payment thereof;

Mutual marine insurance companies.

(3) **MUTUAL INSURANCE COMPANIES OTHER THAN LIFE AND MARINE.**—In the case of mutual insurance companies (including interinsurers and reciprocal underwriters, but not including mutual life or mutual marine insurance companies) requiring their members to make premium deposits to provide for losses and expenses, the amount of premium deposits returned to their policyholders and the amount of premium deposits retained for the payment of losses, expenses, and reinsurance reserves.

Mutual, other than life and marine.

### Supplement H—Nonresident Alien Individuals

#### SEC. 211. TAX ON NONRESIDENT ALIEN INDIVIDUALS.

(a) **NO UNITED STATES BUSINESS OR OFFICE.**—

Nonresident alien individuals.

Tax on.

(1) **GENERAL RULE.**—There shall be levied, collected, and paid for each taxable year, in lieu of the tax imposed by sections 11 and 12, upon the amount received, by every nonresident alien individual not engaged in trade or business within the United States and not having an office or place of business therein, from sources within the United States as interest (except interest on deposits with persons carrying on the banking business), dividends, rents, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, or other fixed or determinable annual or periodical gains, profits, and income, a tax of 10 per centum of such amount, except that such rate shall be reduced, in the case of a resident of a contiguous country, to such rate (not less than 5 per centum) as may be provided by treaty with such country. For inclusion in computation of tax of amount specified in shareholder's consent, see section 28.

No United States business or office.  
General rule.  
*Ante*, pp. 452-453.

(2) **AGGREGATE MORE THAN \$21,600.**—The tax imposed by paragraph (1) shall not apply to any individual if the aggregate amount received during the taxable year from the sources therein specified is more than \$21,600.

Residents of contiguous countries.

*Ante*, p. 470.

Aggregate more than \$21,600.

(3) **RESIDENTS OF CONTIGUOUS COUNTRIES.**—Despite the provisions of paragraph (2), the provisions of paragraph (1) shall apply to a resident of a contiguous country so long as there is in effect a treaty with such country (ratified prior to August 26, 1937) under which the rate of tax under section 211 (a) of the Revenue Act of 1936, prior to its amendment by section 501 (a) of the Revenue Act of 1937, was reduced.

Residents of contiguous countries.

49 Stat. 1714; 50 Stat. 830.

United States business or office.

Term construed.  
*Ante*, pp. 503, 511;  
*post*, p. 530.

Transactions through broker, etc.

No United States business or office and gross income of more than \$21,600.

Exceptions.

*Ante*, pp. 452-453.

49 Stat. 1714; 50 Stat. 830.

Gross income.

General rule.

Ships under foreign flag.

Deductions.

General rule.

(b) **UNITED STATES BUSINESS OR OFFICE.**—A nonresident alien individual engaged in trade or business in the United States or having an office or place of business therein shall be taxable without regard to the provisions of subsection (a). As used in this section, section 119, section 143, section 144, and section 231, the phrase "engaged in trade or business within the United States" includes the performance of personal services within the United States at any time within the taxable year, but does not include the performance of personal services for a nonresident alien individual, foreign partnership, or foreign corporation, not engaged in trade or business within the United States, by a nonresident alien individual temporarily present in the United States for a period or periods not exceeding a total of ninety days during the taxable year and whose compensation for such services does not exceed in the aggregate \$3,000. Such phrase does not include the effecting of transactions in the United States in stocks, securities, or commodities through a resident broker, commission agent, or custodian.

(c) **NO UNITED STATES BUSINESS OR OFFICE AND GROSS INCOME OF MORE THAN \$21,600.**—A nonresident alien individual not engaged in trade or business within the United States and not having an office or place of business therein who has a gross income for any taxable year of more than \$21,600 from the sources specified in subsection (a) (1), shall be taxable without regard to the provisions of subsection (a) (1), except that—

(1) The gross income shall include only income from the sources specified in subsection (a) (1);

(2) The deductions (other than the so-called "charitable deduction" provided in section 213 (c)) shall be allowed only if and to the extent that they are properly allocable to the gross income from the sources specified in subsection (a) (1);

(3) The aggregate of the normal tax and surtax under sections 11 and 12 shall, in no case, be less than 10 per centum of the gross income from the sources specified in subsection (a) (1); and

(4) This subsection shall not apply to a resident of a contiguous country so long as there is in effect a treaty with such country (ratified prior to August 26, 1937) under which the rate of tax under section 211 (a) of the Revenue Act of 1936, prior to its amendment by section 501 (a) of the Revenue Act of 1937, was reduced.

## SEC. 212. GROSS INCOME.

(a) **GENERAL RULE.**—In the case of a nonresident alien individual gross income includes only the gross income from sources within the United States.

(b) **SHIPS UNDER FOREIGN FLAG.**—The income of a nonresident alien individual which consists exclusively of earnings derived from the operation of a ship or ships documented under the laws of a foreign country which grants an equivalent exemption to citizens of the United States and to corporations organized in the United States shall not be included in gross income and shall be exempt from taxation under this title.

## SEC. 213. DEDUCTIONS.

(a) **GENERAL RULE.**—In the case of a nonresident alien individual the deductions shall be allowed only if and to the extent that they are connected with income from sources within the United States; and the proper apportionment and allocation of the deductions with respect to sources of income within and without the United States

shall be determined as provided in section 119, under rules and regulations prescribed by the Commissioner with the approval of the Secretary.

(b) **LOSSES.**—

(1) The deduction, for losses not connected with the trade or business if incurred in transactions entered into for profit, allowed by section 23 (e) (2) shall be allowed whether or not connected with income from sources within the United States, but only if the profit, if such transaction had resulted in a profit, would be taxable under this title.

(2) The deduction for losses of property not connected with the trade or business if arising from certain casualties or theft, allowed by section 23 (e) (3), shall be allowed whether or not connected with income from sources within the United States, but only if the loss is of property within the United States.

(c) **CHARITABLE, ETC., CONTRIBUTIONS.**—The so-called "charitable contribution" deduction allowed by section 23 (c) shall be allowed whether or not connected with income from sources within the United States, but only as to contributions or gifts made to domestic corporations, or to community chests, funds, or foundations, created in the United States, or to the vocational rehabilitation fund.

**SEC. 214. CREDITS AGAINST NET INCOME.**

In the case of a nonresident alien individual the personal exemption allowed by section 25 (b) (1) of this title shall be only \$1,000. The credit for dependents allowed by section 25 (b) (2) shall not be allowed in the case of a nonresident alien individual unless he is a resident of a contiguous country.

**SEC. 215. ALLOWANCE OF DEDUCTIONS AND CREDITS.**

(a) **RETURN TO CONTAIN INFORMATION.**—A nonresident alien individual shall receive the benefit of the deductions and credits allowed to him in this title only by filing or causing to be filed with the collector a true and accurate return of his total income received from all sources in the United States, in the manner prescribed in this title; including therein all the information which the Commissioner may deem necessary for the calculation of such deductions and credits.

(b) **TAX WITHHELD AT SOURCE.**—The benefit of the personal exemption and credit for dependents may, in the discretion of the Commissioner and under regulations prescribed by him with the approval of the Secretary, be received by a nonresident alien individual entitled thereto, by filing a claim therefor with the withholding agent.

**SEC. 216. CREDITS AGAINST TAX.**

A nonresident alien individual shall not be allowed the credits against the tax for taxes of foreign countries and possessions of the United States allowed by section 131.

**SEC. 217. RETURNS.**

(a) **REQUIREMENT.**—In the case of a nonresident alien individual the return, in lieu of the time prescribed in section 53 (a) (1), shall be made on or before the fifteenth day of the sixth month following the close of the fiscal year, or, if the return is made on the basis of the calendar year, then on or before the fifteenth day of June.

(b) **EXEMPTION FROM REQUIREMENT.**—Subject to such conditions, limitations, and exceptions and under such regulations as may be

*Ante*, p. 503.

Losses.

Not connected with trade or business.

*Ante*, p. 461.

Casualty, etc., not connected with business.

*Ante*, p. 461.

Charitable, etc., contributions.

*Ante*, p. 463.

Credits against net income.

Personal exemption.

*Ante*, p. 467.

Dependents, if resident of a contiguous country.

Allowance of deductions and credits.

Return to contain total income from United States sources, etc.

Tax withheld at source.

Credits against tax.

*Ante*, p. 506.

Returns.

Time for filing.

*Ante*, p. 477.

Exemption.



prescribed by the Commissioner, with the approval of the Secretary, nonresident alien individuals subject to the tax imposed by section 211 (a) may be exempted from the requirement of filing returns of such tax.

*Ante*, p. 527.

Payment of tax.

#### SEC. 218. PAYMENT OF TAX.

Time designated.

*Ante*, p. 478.

Withholding at source.  
*Ante*, p. 511.

(a) **TIME OF PAYMENT.**—In the case of a nonresident alien individual the total amount of tax imposed by this title shall be paid, in lieu of the time prescribed in section 56 (a), on the fifteenth day of June following the close of the calendar year, or, if the return should be made on the basis of a fiscal year, then on the fifteenth day of the sixth month following the close of the fiscal year.

(b) **WITHHOLDING AT SOURCE.**—For withholding at source of tax on income of nonresident aliens, see section 143.

Partnerships.

#### SEC. 219. PARTNERSHIPS.

Business of nonresident members.

For the purpose of this title, a nonresident alien individual shall be considered as being engaged in a trade or business within the United States if the partnership of which he is a member is so engaged and as having an office or place of business within the United States if the partnership of which he is a member has such an office or place of business.

Foreign corporations.

### Supplement I—Foreign Corporations

Tax on.

#### SEC. 231. TAX ON FOREIGN CORPORATIONS.

Nonresident corporations.

*Ante*, pp. 455, 456.

(a) **NONRESIDENT CORPORATIONS.**—There shall be levied, collected, and paid for each taxable year, in lieu of the tax imposed by sections 13 and 14, upon the amount received by every foreign corporation not engaged in trade or business within the United States and not having an office or place of business therein, from sources within the United States as interest (except interest on deposits with persons carrying on the banking business), dividends, rents, salaries, wages, premiums, annuities, compensations, remunerations, emoluments, or other fixed or determinable annual or periodical gains, profits, and income, a tax of 15 per centum of such amount, except that in the case of dividends the rate shall be 10 per centum, and except that in the case of corporations organized under the laws of a contiguous country such rate of 10 per centum with respect to dividends shall be reduced to such rate (not less than 5 per centum) as may be provided by treaty with such country. For inclusion in computation of tax of amount specified in shareholder's consent, see section 28.

*Ante*, p. 470.

Resident corporations.

*Ante*, p. 457.

Gross income.

(b) **RESIDENT CORPORATIONS.**—A foreign corporation engaged in trade or business within the United States or having an office or place of business therein shall be taxable as provided in section 14 (e) (1).

(c) **GROSS INCOME.**—In the case of a foreign corporation gross income includes only the gross income from sources within the United States.

Ships under foreign flag.

(d) **SHIPS UNDER FOREIGN FLAG.**—The income of a foreign corporation, which consists exclusively of earnings derived from the operation of a ship or ships documented under the laws of a foreign country which grants an equivalent exemption to citizens of the United States and to corporations organized in the United States, shall not be included in gross income and shall be exempt from taxation under this title.

**SEC. 232. DEDUCTIONS.**

(a) **IN GENERAL.**—In the case of a foreign corporation the deductions shall be allowed only if and to the extent that they are connected with income from sources within the United States; and the proper apportionment and allocation of the deductions with respect to sources within and without the United States shall be determined as provided in section 119, under rules and regulations prescribed by the Commissioner with the approval of the Secretary.

(b) **CHARITABLE, AND SO FORTH, CONTRIBUTIONS.**—The so-called “charitable contribution” deduction allowed by section 23 (q) shall be allowed whether or not connected with income from sources within the United States.

Deductions.

In general.

Apportionment, etc.

*Ante*, p. 503.Charitable, etc.,  
contributions.  
*Ante*, p. 463.**SEC. 233. ALLOWANCE OF DEDUCTIONS AND CREDITS.**

A foreign corporation shall receive the benefit of the deductions and credits allowed to it in this title only by filing or causing to be filed with the collector a true and accurate return of its total income received from all sources in the United States, in the manner prescribed in this title; including therein all the information which the Commissioner may deem necessary for the calculation of such deductions and credits.

Allowance of deduc-  
tions and credits.**SEC. 234. CREDITS AGAINST TAX.**

Foreign corporations shall not be allowed the credits against the tax for taxes of foreign countries and possessions of the United States allowed by section 131.

Credits against tax.

*Ante*, p. 506.**SEC. 235. RETURNS.**

(a) **TIME OF FILING.**—In the case of a foreign corporation not having any office or place of business in the United States the return, in lieu of the time prescribed in section 53 (a) (1), shall be made on or before the fifteenth day of the sixth month following the close of the fiscal year, or, if the return is made on the basis of the calendar year then on or before the fifteenth day of June. If any foreign corporation has no office or place of business in the United States but has an agent in the United States, the return shall be made by the agent.

Returns.

Time of filing.

*Ante*, p. 477.

Return by agent.

(b) **EXEMPTION FROM REQUIREMENT.**—Subject to such conditions, limitations, and exceptions and under such regulations as may be prescribed by the Commissioner, with the approval of the Secretary, corporations subject to the tax imposed by section 231 (a) may be exempted from the requirement of filing returns of such tax.

Exemption from re-  
quirement.*Ante*, p. 530.**SEC. 236. PAYMENT OF TAX.**

(a) **TIME OF PAYMENT.**—In the case of a foreign corporation not having any office or place of business in the United States the total amount of tax imposed by this title shall be paid, in lieu of the time prescribed in section 56 (a), on the fifteenth day of June following the close of the calendar year, or, if the return should be made on the basis of a fiscal year, then on the fifteenth day of the sixth month following the close of the fiscal year.

Payment of tax.

Time specified.

*Ante*, p. 478.

(b) **WITHHOLDING AT SOURCE.**—For withholding at source of tax on income of foreign corporations, see section 144.

Withholding at  
source.  
*Ante*, p. 513.**SEC. 237. FOREIGN INSURANCE COMPANIES.**

For special provisions relating to foreign insurance companies, see Supplement G.

Foreign insurance  
companies.Special provisions.  
*Ante*, p. 522.

## SEC. 238. AFFILIATION.

Affiliation.  
*Ante*, p. 508.

A foreign corporation shall not be deemed to be affiliated with any other corporation within the meaning of section 141.

Possessions of the  
United States.

## Supplement J—Possessions of the United States

Income from sources  
within.

## SEC. 251. INCOME FROM SOURCES WITHIN POSSESSIONS OF UNITED STATES.

General rule.

(a) **GENERAL RULE.**—In the case of citizens of the United States or domestic corporations, satisfying the following conditions, gross income means only gross income from sources within the United States—

(1) If 80 per centum or more of the gross income of such citizen or domestic corporation (computed without the benefit of this section), for the three-year period immediately preceding the close of the taxable year (or for such part of such period immediately preceding the close of such taxable year as may be applicable) was derived from sources within a possession of the United States; and

(2) If, in the case of such corporation, 50 per centum or more of its gross income (computed without the benefit of this section) for such period or such part thereof was derived from the active conduct of a trade or business within a possession of the United States; or

(3) If, in case of such citizen, 50 per centum or more of his gross income (computed without the benefit of this section) for such period or such part thereof was derived from the active conduct of a trade or business within a possession of the United States either on his own account or as an employee or agent of another.

Amounts received  
in United States.

(b) **AMOUNTS RECEIVED IN UNITED STATES.**—Notwithstanding the provisions of subsection (a) there shall be included in gross income all amounts received by such citizens or corporations within the United States, whether derived from sources within or without the United States.

Tax in case of cor-  
porations.  
*Ante*, pp. 457, 470.

(c) **TAX IN CASE OF CORPORATIONS.**—A domestic corporation entitled to the benefits of this section shall be taxable as provided in section 14 (d). For inclusion in computation of tax of amount specified in shareholder's consent, see section 28.

Status of Virgin  
Islands.

(d) **DEFINITION.**—As used in this section the term "possession of the United States" does not include the Virgin Islands of the United States.

Deductions.

(e) **DEDUCTIONS.**—

Citizens of the  
United States.

*Ante*, p. 527.

(1) Citizens of the United States entitled to the benefits of this section shall have the same deductions as are allowed by Supplement H in the case of a nonresident alien individual engaged in trade or business within the United States or having an office or place of business therein.

Domestic corpora-  
tions.

*Ante*, p. 530.

(2) Domestic corporations entitled to the benefits of this section shall have the same deductions as are allowed by Supplement I in the case of a foreign corporation engaged in trade or business within the United States or having an office or place of business therein.

Credits against net  
income; personal ex-  
emption.

*Ante*, p. 467.

(f) **CREDITS AGAINST NET INCOME.**—A citizen of the United States entitled to the benefits of this section shall be allowed a personal exemption of only \$1,000 and shall not be allowed the credit for dependents provided in section 25 (b) (2).

(g) **ALLOWANCE OF DEDUCTIONS AND CREDITS.**—Citizens of the United States and domestic corporations entitled to the benefits of this section shall receive the benefit of the deductions and credits allowed to them in this title only by filing or causing to be filed with the collector a true and accurate return of their total income received from all sources in the United States, in the manner prescribed in this title; including therein all the information which the Commissioner may deem necessary for the calculation of such deductions and credits.

Allowance of deductions and credits.

(h) **CREDITS AGAINST TAX.**—Persons entitled to the benefits of this section shall not be allowed the credits against the tax for taxes of foreign countries and possessions of the United States allowed by section 131.

Credits against tax.

(i) **AFFILIATION.**—A corporation entitled to the benefits of this section shall not be deemed to be affiliated with any other corporation within the meaning of section 141.

*Ante*, p. 506.

Affiliation.

*Ante*, p. 508.

## SEC. 252. CITIZENS OF POSSESSIONS OF UNITED STATES.

(a) Any individual who is a citizen of any possession of the United States (but not otherwise a citizen of the United States) and who is not a resident of the United States, shall be subject to taxation under this title only as to income derived from sources within the United States, and in such case the tax shall be computed and paid in the same manner and subject to the same conditions as in the case of other persons who are taxable only as to income derived from such sources.

Citizens of possessions of United States.  
Taxation.

(b) Nothing in this section shall be construed to alter or amend the provisions of the Act entitled "An Act making appropriations for the naval service for the fiscal year ending June 30, 1922, and for other purposes", approved July 12, 1921, relating to the imposition of income taxes in the Virgin Islands of the United States.

Virgin Islands.  
Imposition of income taxes.

42 Stat. 123.

## Supplement K—China Trade Act Corporations

### SEC. 261. TAXATION IN GENERAL.

A corporation organized under the China Trade Act, 1922, shall be taxable as provided in section 14 (d). For inclusion in computation of tax of amount specified in shareholder's consent, see section 28.

China Trade Act corporations.

Taxation in general.  
42 Stat. 849.  
*Ante*, pp. 457, 470.

### SEC. 262. CREDIT AGAINST NET INCOME.

(a) **ALLOWANCE OF CREDIT.**—For the purpose only of the taxes imposed by sections 14 and 602 of this Act and section 106 of the Revenue Act of 1935 there shall be allowed, in the case of a corporation organized under the China Trade Act, 1922, in addition to the credits against net income otherwise allowed such corporation, a credit against the net income of an amount equal to the proportion of the net income derived from sources within China (determined in a similar manner to that provided in section 119) which the par value of the shares of stock of the corporation owned on the last day of the taxable year by (1) persons resident in China, the United States, or possessions of the United States, and (2) individual citizens of the United States or China wherever resident, bears to the par value of the whole number of shares of stock of the corporation outstanding on such date: *Provided*, That in no case shall the diminution, by reason of such credit, of the tax imposed by such section 14 (computed without regard to this section) exceed the amount of the special dividend certified under subsection (b) of this

Credit against net income.

Allowance.  
*Ante*, p. 456; *post*, p. 567.  
49 Stat. 1019.

*Ante*, p. 504.

*Proviso*.  
Limitation.

*Ante*, p. 456.

section; and in no case shall the diminution, by reason of such credit, of the tax imposed by such section 106 or 602 (computed without regard to this section) exceed the amount by which such special dividend exceeds the diminution permitted by this section in the tax imposed by such section 14.

Special dividend.  
Conditions.

(b) **SPECIAL DIVIDEND.**—Such credit shall not be allowed unless the Secretary of Commerce has certified to the Commissioner—

(1) The amount which, during the year ending on the date fixed by law for filing the return, the corporation has distributed as a special dividend to or for the benefit of such persons as on the last day of the taxable year were resident in China, the United States, or possessions of the United States, or were individual citizens of the United States or China, and owned shares of stock of the corporation;

(2) That such special dividend was in addition to all other amounts, payable or to be payable to such persons or for their benefit, by reason of their interest in the corporation; and

(3) That such distribution has been made to or for the benefit of such persons in proportion to the par value of the shares of stock of the corporation owned by each; except that if the corporation has more than one class of stock, the certificates shall contain a statement that the articles of incorporation provide a method for the apportionment of such special dividend among such persons, and that the amount certified has been distributed in accordance with the method so provided.

Ownership of stock.

(c) **OWNERSHIP OF STOCK.**—For the purposes of this section shares of stock of a corporation shall be considered to be owned by the person in whom the equitable right to the income from such shares is in good faith vested.

"China" defined.  
42 Stat. 849.  
15 U. S. C. § 142.

(d) **DEFINITION OF CHINA.**—As used in this section the term "China" shall have the same meaning as when used in the China Trade Act, 1922.

#### SEC. 263. CREDITS AGAINST THE TAX.

Credits against tax.

A corporation organized under the China Trade Act, 1922, shall not be allowed the credits against the tax for taxes of foreign countries and possessions of the United States allowed by section 131.

*Ante*, p. 506.

#### SEC. 264. AFFILIATION.

Affiliation.

A corporation organized under the China Trade Act, 1922, shall not be deemed to be affiliated with any other corporation within the meaning of section 141.

*Ante*, p. 508.

Income of share-  
holders.  
*Ante*, p. 498.

#### SEC. 265. INCOME OF SHAREHOLDERS.

For exclusion of dividends from gross income, see section 116.

Assessment and col-  
lection of deficiencies.

### Supplement L—Assessment and Collection of Deficiencies

#### SEC. 271. DEFINITION OF DEFICIENCY.

"Deficiency" de-  
fined.

As used in this title in respect of a tax imposed by this title "deficiency" means—

(a) The amount by which the tax imposed by this title exceeds the amount shown as the tax by the taxpayer upon his return; but the amount so shown on the return shall first be increased by the amounts previously assessed (or collected without assessment) as a deficiency, and decreased by the amounts previously abated, credited, refunded, or otherwise repaid in respect of such tax; or

(b) If no amount is shown as the tax by the taxpayer upon his return, or if no return is made by the taxpayer, then the amount by which the tax exceeds the amounts previously assessed (or collected without assessment) as a deficiency; but such amounts previously assessed, or collected without assessment, shall first be decreased by the amounts previously abated, credited, refunded, or otherwise repaid in respect of such tax.

#### SEC. 272. PROCEDURE IN GENERAL.

(a) **PETITION TO BOARD OF TAX APPEALS.**—If in the case of any taxpayer, the Commissioner determines that there is a deficiency in respect of the tax imposed by this title, the Commissioner is authorized to send notice of such deficiency to the taxpayer by registered mail. Within ninety days after such notice is mailed (not counting Sunday or a legal holiday in the District of Columbia as the ninetieth day), the taxpayer may file a petition with the Board of Tax Appeals for a redetermination of the deficiency. No assessment of a deficiency in respect of the tax imposed by this title and no distraint or proceeding in court for its collection shall be made, begun, or prosecuted until such notice has been mailed to the taxpayer, nor until the expiration of such ninety-day period, nor, if a petition has been filed with the Board, until the decision of the Board has become final. Notwithstanding the provisions of section 3224 of the Revised Statutes the making of such assessment or the beginning of such proceeding or distraint during the time such prohibition is in force may be enjoined by a proceeding in the proper court. In the case of a joint return filed by husband and wife such notice of deficiency may be a single joint notice, except that if the Commissioner has been notified by either spouse that separate residences have been established, then, in lieu of the single joint notice, duplicate originals of the joint notice must be sent by registered mail to each spouse at his last known address.

For exceptions to the restrictions imposed by this subsection, see—

(1) Subsection (d) of this section, relating to waivers by the taxpayer;

(2) Subsection (f) of this section, relating to notifications of mathematical errors appearing upon the face of the return;

(3) Section 273, relating to jeopardy assessments;

(4) Section 274, relating to bankruptcy and receiverships; and

(5) Section 1001 of the Revenue Act of 1926, as amended, relating to assessment or collection of the amount of the deficiency determined by the Board pending court review.

(b) **COLLECTION OF DEFICIENCY FOUND BY BOARD.**—If the taxpayer files a petition with the Board, the entire amount redetermined as the deficiency by the decision of the Board which has become final shall be assessed and shall be paid upon notice and demand from the collector. No part of the amount determined as a deficiency by the Commissioner but disallowed as such by the decision of the Board which has become final shall be assessed or be collected by distraint or by proceeding in court with or without assessment.

(c) **FAILURE TO FILE PETITION.**—If the taxpayer does not file a petition with the Board within the time prescribed in subsection (a) of this section, the deficiency, notice of which has been mailed to the taxpayer, shall be assessed, and shall be paid upon notice and demand from the collector.

(d) **WAIVER OF RESTRICTIONS.**—The taxpayer shall at any time have the right, by a signed notice in writing filed with the Commis-

Procedure in general.

Notice of deficiency to taxpayer.

Petition to Board of Tax Appeals for redetermination.

No assessment until notice mailed to taxpayer.

If petition filed.

Proceedings to enjoin assessment, etc.  
R. S. § 3224.  
26 U. S. C. § 1543.

In case of joint return filed by husband and wife.

Exceptions to restrictions.

Post, p. 537.

Post, p. 538.

44 Stat. 109.

Collection of deficiency found by Board.

Failure to file petition.

Waiver of restriction.

sioner, to waive the restrictions provided in subsection (a) of this section on the assessment and collection of the whole or any part of the deficiency.

Increase of deficiency after notice mailed.

(e) **INCREASE OF DEFICIENCY AFTER NOTICE MAILED.**—The Board shall have jurisdiction to redetermine the correct amount of the deficiency even if the amount so redetermined is greater than the amount of the deficiency, notice of which has been mailed to the taxpayer, and to determine whether any penalty, additional amount or addition to the tax should be assessed—if claim therefor is asserted by the Commissioner at or before the hearing or a rehearing.

Further deficiency letters restricted.

(f) **FURTHER DEFICIENCY LETTERS RESTRICTED.**—If the Commissioner has mailed to the taxpayer notice of a deficiency as provided in subsection (a) of this section, and the taxpayer files a petition with the Board within the time prescribed in such subsection, the Commissioner shall have no right to determine any additional deficiency in respect of the same taxable year, except in the case of fraud, and except as provided in subsection (e) of this section, relating to assertion of greater deficiencies before the Board, or in section 273 (c), relating to the making of jeopardy assessments. If the taxpayer is notified that, on account of a mathematical error appearing upon the face of the return, an amount of tax in excess of that shown upon the return is due, and that an assessment of the tax has been or will be made on the basis of what would have been the correct amount of tax but for the mathematical error, such notice shall not be considered (for the purposes of this subsection, or of subsection (a) of this section, prohibiting assessment and collection until notice of deficiency has been mailed, or of section 322 (c), prohibiting credits or refunds after petition to the Board of Tax Appeals) as a notice of a deficiency, and the taxpayer shall have no right to file a petition with the Board based on such notice, nor shall such assessment or collection be prohibited by the provisions of subsection (a) of this section.

Exceptions.

*Post*, p. 537.

Mathematical error, not a notice of deficiency.

Credits or refunds.  
*Post*, p. 545.

Jurisdiction over other taxable years.

(g) **JURISDICTION OVER OTHER TAXABLE YEARS.**—The Board in redetermining a deficiency in respect of any taxable year shall consider such facts with relation to the taxes for other taxable years as may be necessary correctly to redetermine the amount of such deficiency, but in so doing shall have no jurisdiction to determine whether or not the tax for any other taxable year has been overpaid or underpaid.

Final decisions of Board.

44 Stat. 110.

(h) **FINAL DECISIONS OF BOARD.**—For the purposes of this title the date on which a decision of the Board becomes final shall be determined according to the provisions of section 1005 of the Revenue Act of 1926.

Prorating of deficiency to installments.

*Post*, p. 537.

(i) **PRORATING OF DEFICIENCY TO INSTALLMENTS.**—If the taxpayer has elected to pay the tax in installments and a deficiency has been assessed, the deficiency shall be prorated to the four installments. Except as provided in section 273 (relating to jeopardy assessments), that part of the deficiency so prorated to any installment the date for payment of which has not arrived, shall be collected at the same time as and as part of such installment. That part of the deficiency so prorated to any installment the date for payment of which has arrived, shall be paid upon notice and demand from the collector.

Extension of time for payment of deficiencies.

(j) **EXTENSION OF TIME FOR PAYMENT OF DEFICIENCIES.**—Where it is shown to the satisfaction of the Commissioner that the payment of a deficiency upon the date prescribed for the payment thereof will result in undue hardship to the taxpayer the Commissioner, under regulations prescribed by the Commissioner, with the approval of the Secretary, may grant an extension for the payment of such deficiency for a period not in excess of eighteen months, and, in exceptional cases, for a further period not in excess of twelve months.

If an extension is granted, the Commissioner may require the taxpayer to furnish a bond in such amount, not exceeding double the amount of the deficiency, and with such sureties, as the Commissioner deems necessary, conditioned upon the payment of the deficiency in accordance with the terms of the extension. No extension shall be granted if the deficiency is due to negligence, to intentional disregard of rules and regulations, or to fraud with intent to evade tax.

(k) ADDRESS FOR NOTICE OF DEFICIENCY.—In the absence of notice to the Commissioner under section 312 (a) of the existence of a fiduciary relationship, notice of a deficiency in respect of a tax imposed by this title, if mailed to the taxpayer at his last known address, shall be sufficient for the purposes of this title even if such taxpayer is deceased, or is under a legal disability, or, in the case of a corporation, has terminated its existence.

Bond.

Address for notice of deficiency.  
*Post*, p. 544.

#### SEC. 273. JEOPARDY ASSESSMENTS.

(a) AUTHORITY FOR MAKING.—If the Commissioner believes that the assessment or collection of a deficiency will be jeopardized by delay, he shall immediately assess such deficiency (together with all interest, additional amounts, or additions to the tax provided for by law) and notice and demand shall be made by the collector for the payment thereof.

Jeopardy assessments.  
Authority for making.

(b) DEFICIENCY LETTERS.—If the jeopardy assessment is made before any notice in respect of the tax to which the jeopardy assessment relates has been mailed under section 272 (a), then the Commissioner shall mail a notice under such subsection within sixty days after the making of the assessment.

Deficiency letters.

*Ante*, p. 535.

(c) AMOUNT ASSESSABLE BEFORE DECISION OF BOARD.—The jeopardy assessment may be made in respect of a deficiency greater or less than that notice of which has been mailed to the taxpayer, despite the provisions of section 272 (f) prohibiting the determination of additional deficiencies, and whether or not the taxpayer has theretofore filed a petition with the Board of Tax Appeals. The Commissioner may, at any time before the decision of the Board is rendered, abate such assessment, or any unpaid portion thereof, to the extent that he believes the assessment to be excessive in amount. The Commissioner shall notify the Board of the amount of such assessment, or abatement, if the petition is filed with the Board before the making of the assessment or is subsequently filed, and the Board shall have jurisdiction to redetermine the entire amount of the deficiency and of all amounts assessed at the same time in connection therewith.

Amount assessable before decision of Board.

*Ante*, p. 536.

Redetermination.

(d) AMOUNT ASSESSABLE AFTER DECISION OF BOARD.—If the jeopardy assessment is made after the decision of the Board is rendered, such assessment may be made only in respect of the deficiency determined by the Board in its decision.

Amount assessable after decision of Board.

(e) EXPIRATION OF RIGHT TO ASSESS.—A jeopardy assessment may not be made after the decision of the Board has become final, or after the taxpayer has filed a petition for review of the decision of the Board.

Expiration of right to assess.

(f) BOND TO STAY COLLECTION.—When a jeopardy assessment has been made the taxpayer, within 10 days after notice and demand from the collector for the payment of the amount of the assessment, may obtain a stay of collection of the whole or any part of the amount of the assessment by filing with the collector a bond in such amount, not exceeding double the amount as to which the stay is desired, and with such sureties, as the collector deems necessary, conditioned upon the payment of so much of the amount, the collection of which is stayed by the bond, as is not abated by a decision of the Board which

Bond to stay collection.

Conditions.



*Post*, p. 542.

Further conditions.

*Ante*, p. 535.

Waiver of stay.

Collection of unpaid amounts.

Credit or refund.

*Post*, p. 544.

Collection of greater assessment.

Claims in abatement.

Bankruptcy and receiverships.

Immediate assessment.

*Ante*, p. 535.

Notice of adjudication.

has become final, together with interest thereon as provided in section 297. If any portion of the jeopardy assessment is abated by the Commissioner before the decision of the Board is rendered, the bond shall, at the request of the taxpayer, be proportionately reduced.

(g) **SAME—FURTHER CONDITIONS.**—If the bond is given before the taxpayer has filed his petition with the Board under section 272 (a), the bond shall contain a further condition that if a petition is not filed within the period provided in such subsection, then the amount the collection of which is stayed by the bond will be paid on notice and demand at any time after the expiration of such period, together with interest thereon at the rate of 6 per centum per annum from the date of the jeopardy notice and demand to the date of notice and demand under this subsection.

(h) **WAIVER OF STAY.**—Upon the filing of the bond the collection of so much of the amount assessed as is covered by the bond shall be stayed. The taxpayer shall have the right to waive such stay at any time in respect of the whole or any part of the amount covered by the bond, and if as a result of such waiver any part of the amount covered by the bond is paid, then the bond shall, at the request of the taxpayer, be proportionately reduced. If the Board determines that the amount assessed is greater than the amount which should have been assessed, then when the decision of the Board is rendered the bond shall, at the request of the taxpayer, be proportionately reduced.

(i) **COLLECTION OF UNPAID AMOUNTS.**—When the petition has been filed with the Board and when the amount which should have been assessed has been determined by a decision of the Board which has become final, then any unpaid portion, the collection of which has been stayed by the bond, shall be collected as part of the tax upon notice and demand from the collector, and any remaining portion of the assessment shall be abated. If the amount already collected exceeds the amount determined as the amount which should have been assessed, such excess shall be credited or refunded to the taxpayer as provided in section 322, without the filing of claim therefor. If the amount determined as the amount which should have been assessed is greater than the amount actually assessed, then the difference shall be assessed and shall be collected as part of the tax upon notice and demand from the collector.

(j) **CLAIMS IN ABATEMENT.**—No claim in abatement shall be filed in respect of any assessment in respect of any tax imposed by this title.

## SEC. 274. BANKRUPTCY AND RECEIVERSHIPS.

(a) **IMMEDIATE ASSESSMENT.**—Upon the adjudication of bankruptcy of any taxpayer in any bankruptcy proceeding or the appointment of a receiver for any taxpayer in any receivership proceeding before any court of the United States or of any State or Territory or of the District of Columbia, any deficiency (together with all interest, additional amounts, or additions to the tax provided for by law) determined by the Commissioner in respect of a tax imposed by this title upon such taxpayer shall, despite the restrictions imposed by section 272 (a) upon assessments be immediately assessed if such deficiency has not theretofore been assessed in accordance with law. In such cases the trustee in bankruptcy or receiver shall give notice in writing to the Commissioner of the adjudication of bankruptcy or the appointment of the receiver, and the running of the statute of limitations on the making of assessments shall be suspended for the period from the date of adjudication in bankruptcy or the

appointment of the receiver to a date 30 days after the date upon which the notice from the trustee or receiver is received by the Commissioner; but the suspension under this sentence shall in no case be for a period in excess of two years. Claims for the deficiency and such interest, additional amounts and additions to the tax may be presented, for adjudication in accordance with law, to the court before which the bankruptcy or receivership proceeding is pending, despite the pendency of proceedings for the redetermination of the deficiency in pursuance of a petition to the Board; but no petition for any such redetermination shall be filed with the Board after the adjudication of bankruptcy or the appointment of the receiver.

(b) **UNPAID CLAIMS.**—Any portion of the claim allowed in such bankruptcy or receivership proceeding which is unpaid shall be paid by the taxpayer upon notice and demand from the collector after the termination of such proceeding, and may be collected by distraint or proceeding in court within six years after termination of such proceeding. Extensions of time for such payment may be had in the same manner and subject to the same provisions and limitations as are provided in section 272 (j) and section 296 in the case of a deficiency in a tax imposed by this title.

Presentation of claims.

Unpaid claims.

Time extensions.

*Ante*, p. 536; *post*, p. 542.

#### SEC. 275. PERIOD OF LIMITATION UPON ASSESSMENT AND COLLECTION.

Except as provided in section 276—

(a) **GENERAL RULE.**—The amount of income taxes imposed by this title shall be assessed within three years after the return was filed, and no proceeding in court without assessment for the collection of such taxes shall be begun after the expiration of such period.

(b) **REQUEST FOR PROMPT ASSESSMENT.**—In the case of income received during the lifetime of a decedent, or by his estate during the period of administration, or by a corporation, the tax shall be assessed, and any proceeding in court without assessment for the collection of such tax shall be begun, within eighteen months after written request therefor (filed after the return is made) by the executor, administrator, or other fiduciary representing the estate of such decedent, or by the corporation, but not after the expiration of three years after the return was filed. This subsection shall not apply in the case of a corporation unless—

Period of limitation upon assessment and collection.

*Post*, p. 540.

General rule.

Request for prompt assessment.

Corporations; exceptions.

(1) Such written request notifies the Commissioner that the corporation contemplates dissolution at or before the expiration of such 18 months' period; and

(2) The dissolution is in good faith begun before the expiration of such 18 months' period; and

(3) The dissolution is completed.

(c) **OMISSION FROM GROSS INCOME.**—If the taxpayer omits from gross income an amount properly includible therein which is in excess of 25 per centum of the amount of gross income stated in the return, the tax may be assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at any time within 5 years after the return was filed.

Omission from gross income.

(d) **SHAREHOLDERS OF FOREIGN PERSONAL HOLDING COMPANIES.**—If the taxpayer omits from gross income an amount properly includible therein under section 337 (b) (relating to the inclusion in the gross income of United States shareholders of their distributive shares of the undistributed Supplement P net income of a foreign personal holding company) the tax may be assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at any time within seven years after the return was filed.

Shareholders of foreign personal holding companies.  
*Post*, p. 550.

*Post*, p. 545.

Distributions in liquidation to shareholders.  
*Ante*, p. 496.

Filing return.

Corporation and shareholder.

Exceptions.

False return or no return.

Waiver.  
*Ante*, p. 539.

Collection after assessment.

By distraint, etc.; time limit.

Extension.

Suspension of running of statute of limitations.  
*Ante*, p. 539.

*Ante*, p. 535.

Interest and additions to tax.

Failure to file return.

Additions to tax.

If failure not willful neglect.

(e) **DISTRIBUTIONS IN LIQUIDATION TO SHAREHOLDERS.**—If the taxpayer omits from gross income an amount properly includible therein under section 115 (c) as an amount distributed in liquidation of a corporation, other than a foreign personal holding company, the tax may be assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at any time within four years after the return was filed.

(f) For the purposes of subsections (a), (b), (c), (d), and (e), a return filed before the last day prescribed by law for the filing thereof shall be considered as filed on such last day.

(g) **CORPORATION AND SHAREHOLDER.**—If a corporation makes no return of the tax imposed by this title, but each of the shareholders includes in his return his distributive share of the net income of the corporation, then the tax of the corporation shall be assessed within four years after the last date on which any such shareholder's return was filed.

#### SEC. 276. SAME—EXCEPTIONS.

(a) **FALSE RETURN OR NO RETURN.**—In the case of a false or fraudulent return with intent to evade tax or of a failure to file a return the tax may be assessed, or a proceeding in court for the collection of such tax may be begun without assessment, at any time.

(b) **WAIVER.**—Where before the expiration of the time prescribed in section 275 for the assessment of the tax, both the Commissioner and the taxpayer have consented in writing to its assessment after such time, the tax may be assessed at any time prior to the expiration of the period agreed upon. The period so agreed upon may be extended by subsequent agreements in writing made before the expiration of the period previously agreed upon.

(c) **COLLECTION AFTER ASSESSMENT.**—Where the assessment of any income tax imposed by this title has been made within the period of limitation properly applicable thereto, such tax may be collected by distraint or by a proceeding in court, but only if begun (1) within six years after the assessment of the tax, or (2) prior to the expiration of any period for collection agreed upon in writing by the Commissioner and the taxpayer before the expiration of such six-year period. The period so agreed upon may be extended by subsequent agreements in writing made before the expiration of the period previously agreed upon.

#### SEC. 277. SUSPENSION OF RUNNING OF STATUTE.

The running of the statute of limitations provided in section 275 or 276 on the making of assessments and the beginning of distraint or a proceeding in court for collection, in respect of any deficiency, shall (after the mailing of a notice under section 272 (a)) be suspended for the period during which the Commissioner is prohibited from making the assessment or beginning distraint or a proceeding in court (and in any event, if a proceeding in respect of the deficiency is placed on the docket of the Board, until the decision of the Board becomes final), and for sixty days thereafter.

### Supplement M—Interest and Additions to the Tax

#### SEC. 291. FAILURE TO FILE RETURN.

In case of any failure to make and file return required by this title, within the time prescribed by law or prescribed by the Commissioner in pursuance of law, unless it is shown that such failure is due to reasonable cause and not due to willful neglect, there shall

be added to the tax: 5 per centum if the failure is for not more than thirty days with an additional 5 per centum for each additional thirty days or fraction thereof during which such failure continues, not exceeding 25 per centum in the aggregate. The amount so added to any tax shall be collected at the same time and in the same manner and as a part of the tax unless the tax has been paid before the discovery of the neglect, in which case the amount so added shall be collected in the same manner as the tax. The amount added to the tax under this section shall be in lieu of the 25 per centum addition to the tax provided in section 3176 of the Revised Statutes, as amended.

Collection.

In lieu of former  
levy.  
R. S. § 3176.  
26 U. S. C. § 1512.

#### SEC. 292. INTEREST ON DEFICIENCIES.

Interest upon the amount determined as a deficiency shall be assessed at the same time as the deficiency, shall be paid upon notice and demand from the collector, and shall be collected as a part of the tax, at the rate of 6 per centum per annum from the date prescribed for the payment of the tax (or, if the tax is paid in installments, from the date prescribed for the payment of the first installment) to the date the deficiency is assessed, or, in the case of a waiver under section 272 (d), to the thirtieth day after the filing of such waiver or to the date the deficiency is assessed whichever is the earlier.

Interest on deficiencies.  
Assessment, etc.

In case of waiver.  
*Ante*, p. 535.

#### SEC. 293. ADDITIONS TO THE TAX IN CASE OF DEFICIENCY.

(a) **NEGLIGENCE.**—If any part of any deficiency is due to negligence, or intentional disregard of rules and regulations but without intent to defraud, 5 per centum of the total amount of the deficiency (in addition to such deficiency) shall be assessed, collected, and paid in the same manner as if it were a deficiency, except that the provisions of section 272 (i), relating to the prorating of a deficiency, and of section 292, relating to interest on deficiencies, shall not be applicable.

Additions to tax in  
case of deficiency.  
Negligence.

*Ante*, p. 536.

(b) **FRAUD.**—If any part of any deficiency is due to fraud with intent to evade tax, then 50 per centum of the total amount of the deficiency (in addition to such deficiency) shall be so assessed, collected, and paid, in lieu of the 50 per centum addition to the tax provided in section 3176 of the Revised Statutes, as amended.

Fraud.

R. S. § 3176.  
26 U. S. C. § 1512.

#### SEC. 294. ADDITIONS TO THE TAX IN CASE OF NONPAYMENT.

##### (a) TAX SHOWN ON RETURN.—

(1) **GENERAL RULE.**—Where the amount determined by the taxpayer as the tax imposed by this title, or any installment thereof, or any part of such amount or installment, is not paid on or before the date prescribed for its payment, there shall be collected as a part of the tax, interest upon such unpaid amount at the rate of 6 per centum per annum from the date prescribed for its payment until it is paid.

Additions to tax in  
case of nonpayment.  
Tax shown on re-  
turn.  
General rule.

Interest.

(2) **IF EXTENSION GRANTED.**—Where an extension of time for payment of the amount so determined as the tax by the taxpayer, or any installment thereof, has been granted, and the amount the time for payment of which has been extended, and the interest thereon determined under section 295, is not paid in full prior to the expiration of the period of the extension, then, in lieu of the interest provided for in paragraph (1) of this subsection, interest at the rate of 6 per centum per annum shall be collected on such unpaid amount from the date of the expiration of the period of the extension until it is paid.

If extension granted.

Interest.

Deficiency.

*Ante*, p. 541.

Nonpayment of pro-rated deficiency.

*Ante*, p. 536.

Filing of jeopardy bond.

*Ante*, p. 537.

Time extended for payment of tax shown on return.

Interest.

*Ante*, p. 479.

Time extended for payment of deficiency.

Interest for period of extension.

If not paid.

Interest in case of jeopardy assessments.

*Ante*, p. 538.

If amount of deficiency not paid in full.

Bankruptcy and receiverships.

Interest, if unpaid portion of claim allowed not paid on demand.

*Ante*, p. 538.

(b) **DEFICIENCY.**—Where a deficiency, or any interest or additional amounts assessed in connection therewith under section 292, or under section 293, or any addition to the tax in case of delinquency provided for in section 291, is not paid in full within ten days from the date of notice and demand from the collector, there shall be collected as part of the tax, interest upon the unpaid amount at the rate of 6 per centum per annum from the date of such notice and demand until it is paid. If any part of a deficiency prorated to any unpaid installment under section 272 (i) is not paid in full on or before the date prescribed for the payment of such installment, there shall be collected as part of the tax interest upon the unpaid amount at the rate of 6 per centum per annum from such date until it is paid.

(c) **FILING OF JEOPARDY BOND.**—If a bond is filed, as provided in section 273, the provisions of subsection (b) of this section shall not apply to the amount covered by the bond.

#### SEC. 295. TIME EXTENDED FOR PAYMENT OF TAX SHOWN ON RETURN.

If the time for payment of the amount determined as the tax by the taxpayer, or any installment thereof, is extended under the authority of section 56 (c), there shall be collected as a part of such amount, interest thereon at the rate of 6 per centum per annum from the date when such payment should have been made if no extension had been granted, until the expiration of the period of the extension.

#### SEC. 296. TIME EXTENDED FOR PAYMENT OF DEFICIENCY.

If the time for the payment of any part of a deficiency is extended, there shall be collected, as a part of the tax, interest on the part of the deficiency the time for payment of which is so extended, at the rate of 6 per centum per annum for the period of the extension, and no other interest shall be collected on such part of the deficiency for such period. If the part of the deficiency the time for payment of which is so extended is not paid in accordance with the terms of the extension, there shall be collected, as a part of the tax, interest on such unpaid amount at the rate of 6 per centum per annum for the period from the time fixed by the terms of the extension for its payment until it is paid, and no other interest shall be collected on such unpaid amount for such period.

#### SEC. 297. INTEREST IN CASE OF JEOPARDY ASSESSMENTS.

In the case of the amount collected under section 273 (i) there shall be collected at the same time as such amount, and as a part of the tax, interest at the rate of 6 per centum per annum upon such amount from the date of the jeopardy notice and demand to the date of notice and demand under section 273 (i), or, in the case of the amount collected in excess of the amount of the jeopardy assessment, interest as provided in section 292. If the amount included in the notice and demand from the collector under section 273 (i) is not paid in full within ten days after such notice and demand, then there shall be collected, as part of the tax, interest upon the unpaid amount at the rate of 6 per centum per annum from the date of such notice and demand until it is paid.

#### SEC. 298. BANKRUPTCY AND RECEIVERSHIPS.

If the unpaid portion of the claim allowed in a bankruptcy or receivership proceeding, as provided in section 274, is not paid in full within ten days from the date of notice and demand from the collector, then there shall be collected as a part of such amount interest upon the unpaid portion thereof at the rate of 6 per centum per annum from the date of such notice and demand until payment.

**SEC. 299. REMOVAL OF PROPERTY OR DEPARTURE FROM UNITED STATES.**

For additions to tax in case of leaving the United States or concealing property in such manner as to hinder collection of the tax, see section 146.

Removal of property or departure from United States.

Additions to tax.

*Anle*, p. 513.

**Supplement N—Claims against Transferees and Fiduciaries****SEC. 311. TRANSFERRED ASSETS.**

(a) **METHOD OF COLLECTION.**—The amounts of the following liabilities shall, except as hereinafter in this section provided, be assessed, collected, and paid in the same manner and subject to the same provisions and limitations as in the case of a deficiency in a tax imposed by this title (including the provisions in case of delinquency in payment after notice and demand, the provisions authorizing distraint and proceedings in court for collection, and the provisions prohibiting claims and suits for refunds):

Claims against transferees and fiduciaries.

Transferred assets.

Method of collection.

(1) **TRANSFEREES.**—The liability, at law or in equity, of a transferee of property of a taxpayer, in respect of the tax (including interest, additional amounts, and additions to the tax provided by law) imposed upon the taxpayer by this title.

Transferees.

(2) **FIDUCIARIES.**—The liability of a fiduciary under section 3467 of the Revised Statutes in respect of the payment of any such tax from the estate of the taxpayer.

Fiduciaries.

R. S. § 3467.  
31 U. S. C. § 192.

Any such liability may be either as to the amount of tax shown on the return or as to any deficiency in tax.

(b) **PERIOD OF LIMITATION.**—The period of limitation for assessment of any such liability of a transferee or fiduciary shall be as follows:

Period of limitation.

(1) In the case of the liability of an initial transferee of the property of the taxpayer,—within one year after the expiration of the period of limitation for assessment against the taxpayer;

When initial transferee liable.

(2) In the case of the liability of a transferee of a transferee of the property of the taxpayer,—within one year after the expiration of the period of limitation for assessment against the preceding transferee, but only if within three years after the expiration of the period of limitation for assessment against the taxpayer;—

When transferee of a transferee liable.

except that if before the expiration of the period of limitation for the assessment of the liability of the transferee, a court proceeding for the collection of the tax or liability in respect thereof has been begun against the taxpayer or last preceding transferee, respectively,—then the period of limitation for assessment of the liability of the transferee shall expire one year after the return of execution in the court proceeding.

Exception.

(3) In the case of the liability of a fiduciary,—not later than one year after the liability arises or not later than the expiration of the period for collection of the tax in respect of which such liability arises, whichever is the later;

When fiduciary liable.

(4) Where before the expiration of the time prescribed in paragraph (1), (2), or (3) for the assessment of the liability, both the Commissioner and the transferee or fiduciary have consented in writing to its assessment after such time, the liability may be assessed at any time prior to the expiration of the period agreed upon. The period so agreed upon may be extended by subsequent agreements in writing made before the expiration of the period previously agreed upon.

Time for assessment of liability.

(c) **PERIOD FOR ASSESSMENT AGAINST TAXPAYER.**—For the purposes of this section, if the taxpayer is deceased, or in the case of a corporation, has terminated its existence, the period of limitation for

Period for assessment against taxpayer.

assessment against the taxpayer shall be the period that would be in effect had death or termination of existence not occurred.

Suspension of running of statute of limitations.

*Ante*, p. 535.

(d) **SUSPENSION OF RUNNING OF STATUTE OF LIMITATIONS.**—The running of the statute of limitations upon the assessment of the liability of a transferee or fiduciary shall, after the mailing to the transferee or fiduciary of the notice provided for in section 272 (a), be suspended for the period during which the Commissioner is prohibited from making the assessment in respect of the liability of the transferee or fiduciary (and in any event, if a proceeding in respect of the liability is placed on the docket of the Board, until the decision of the Board becomes final), and for sixty days thereafter.

Address for notice of liability.

(e) **ADDRESS FOR NOTICE OF LIABILITY.**—In the absence of notice to the Commissioner under section 312 (b) of the existence of a fiduciary relationship, notice of liability enforceable under this section in respect of a tax imposed by this title, if mailed to the person subject to the liability at his last known address, shall be sufficient for the purposes of this title even if such person is deceased, or is under a legal disability, or, in the case of a corporation, has terminated its existence.

"Transferee" defined.

(f) **DEFINITION OF "TRANSFEREE".**—As used in this section, the term "transferee" includes heir, legatee, devisee, and distributee.

Notice of fiduciary relationship.

#### SEC. 312. NOTICE OF FIDUCIARY RELATIONSHIP.

Fiduciary of taxpayer.

(a) **FIDUCIARY OF TAXPAYER.**—Upon notice to the Commissioner that any person is acting in a fiduciary capacity such fiduciary shall assume the powers, rights, duties, and privileges of the taxpayer in respect of a tax imposed by this title (except as otherwise specifically provided and except that the tax shall be collected from the estate of the taxpayer), until notice is given that the fiduciary capacity has terminated.

Fiduciary of transferee.

(b) **FIDUCIARY OF TRANSFEE.**—Upon notice to the Commissioner that any person is acting in a fiduciary capacity for a person subject to the liability specified in section 311, the fiduciary shall assume, on behalf of such person, the powers, rights, duties, and privileges of such person under such section (except that the liability shall be collected from the estate of such person), until notice is given that the fiduciary capacity has terminated.

Manner of notice.

(c) **MANNER OF NOTICE.**—Notice under subsection (a) or (b) shall be given in accordance with regulations prescribed by the Commissioner with the approval of the Secretary.

Overpayments.

#### Supplement O—Overpayments

#### SEC. 321. OVERPAYMENT OF INSTALLMENT.

Overpayment of installment.

If the taxpayer has paid as an installment of the tax more than the amount determined to be the correct amount of such installment, the overpayment shall be credited against the unpaid installments, if any. If the amount already paid, whether or not on the basis of installments, exceeds the amount determined to be the correct amount of the tax, the overpayment shall be credited or refunded as provided in section 322.

Refunds and credits.

#### SEC. 322. REFUNDS AND CREDITS.

Credit against tax then due.

(a) **AUTHORIZATION.**—Where there has been an overpayment of any tax imposed by this title, the amount of such overpayment shall be credited against any income, war-profits, or excess-profits tax or installment thereof then due from the taxpayer, and any balance shall be refunded immediately to the taxpayer.

Refund of balance.

(b) **LIMITATION ON ALLOWANCE.**—

Limitation on allowance.  
Period of limitation.

(1) **PERIOD OF LIMITATION.**—Unless a claim for credit or refund is filed by the taxpayer within three years from the time the return was filed by the taxpayer or within two years from the time the tax was paid, no credit or refund shall be allowed or made after the expiration of whichever of such periods expires the later. If no return is filed by the taxpayer, then no credit or refund shall be allowed or made after two years from the time the tax was paid, unless before the expiration of such period a claim therefor is filed by the taxpayer.

(2) **LIMIT ON AMOUNT OF CREDIT OR REFUND.**—The amount of the credit or refund shall not exceed the portion of the tax paid during the three years immediately preceding the filing of the claim, or, if no claim was filed, then during the three years immediately preceding the allowance of the credit or refund.

Limit on amount of credit or refund.

(c) **EFFECT OF PETITION TO BOARD.**—If the Commissioner has mailed to the taxpayer a notice of deficiency under section 272 (a) and if the taxpayer files a petition with the Board of Tax Appeals within the time prescribed in such subsection, no credit or refund in respect of the tax for the taxable year in respect of which the Commissioner has determined the deficiency shall be allowed or made and no suit by the taxpayer for the recovery of any part of such tax shall be instituted in any court except—

Petition to Board of Tax Appeals, effect of. *Ante*, p. 535.

(1) As to overpayments determined by a decision of the Board which has become final; and

Exceptions.

(2) As to any amount collected in excess of an amount computed in accordance with the decision of the Board which has become final; and

Overpayments.

Excess collections.

(3) As to any amount collected after the period of limitation upon the beginning of distraint or a proceeding in court for collection has expired; but in any such claim for credit or refund or in any such suit for refund the decision of the Board which has become final, as to whether such period has expired before the notice of deficiency was mailed, shall be conclusive.

Collections after period of limitation.

(d) **OVERPAYMENT FOUND BY BOARD.**—If the Board finds that there is no deficiency and further finds that the taxpayer has made an overpayment of tax in respect of the taxable year in respect of which the Commissioner determined the deficiency, the Board shall have jurisdiction to determine the amount of such overpayment, and such amount shall, when the decision of the Board has become final, be credited or refunded to the taxpayer. No such credit or refund shall be made of any portion of the tax unless the Board determines as part of its decision that such portion was paid (1) within three years before the filing of the claim or the filing of the petition, whichever is earlier, or (2) after the mailing of the notice of deficiency.

Overpayment found by Board.

Credit or refund.

(e) **TAX WITHHELD AT SOURCE.**—For refund or credit in case of excessive withholding at the source, see section 143 (f).

Tax withheld at source. *Ante*, p. 513.

## Supplement P—Foreign Personal Holding Companies

Foreign personal holding companies.

### SEC. 331. DEFINITION OF FOREIGN PERSONAL HOLDING COMPANY.

Definition.

(a) **GENERAL RULE.**—For the purposes of this title the term “foreign personal holding company” means any foreign corporation if—

General rule.

(1) **GROSS INCOME REQUIREMENT.**—At least 60 per centum of its gross income (as defined in section 334 (a)) for the taxable year is foreign personal holding company income as defined in section 332; but if the corporation is a foreign personal holding

Gross income requirement. *Post*, p. 548.



Dividends.

*Post*, p. 548.

Stock ownership requirement.

Exceptions.  
*Ante*, p. 480.

Income.

Term defined.

Dividends, etc.  
Stock and securities transactions.

Commodities transactions.

Estates and trusts.  
*Ante*, p. 517.

Personal service contracts.

Use of corporation property by shareholder.

company with respect to any taxable year ending after August 26, 1937, then, for each subsequent taxable year, the minimum percentage shall be 50 per centum in lieu of 60 per centum, until a taxable year during the whole of which the stock ownership required by paragraph (2) does not exist, or until the expiration of three consecutive taxable years in each of which less than 50 per centum of the gross income is foreign personal holding company income. For the purposes of this paragraph there shall be included in the gross income the amount includible therein as a dividend by reason of the application of section 334 (c) (2); and

(2) STOCK OWNERSHIP REQUIREMENT.—At any time during the taxable year more than 50 per centum in value of its outstanding stock is owned, directly or indirectly, by or for not more than five individuals who are citizens or residents of the United States, hereinafter called "United States group".

(b) EXCEPTIONS.—The term "foreign personal holding company" does not include a corporation exempt from taxation under section 101.

### SEC. 332. FOREIGN PERSONAL HOLDING COMPANY INCOME.

For the purposes of this title the term "foreign personal holding company income" means the portion, of the gross income determined for the purposes of section 331 (a) (1), which consists of:

(a) Dividends, interest, royalties, annuities.

(b) STOCK AND SECURITIES TRANSACTIONS.—Except in the case of regular dealers in stock or securities, gains from the sale or exchange of stock or securities.

(c) COMMODITIES TRANSACTIONS.—Gains from futures transactions in any commodity on or subject to the rules of a board of trade or commodity exchange. This subsection shall not apply to gains by a producer, processor, merchant, or handler of the commodity which arise out of bona fide hedging transactions reasonably necessary to the conduct of its business in the manner in which such business is customarily and usually conducted by others.

(d) ESTATES AND TRUSTS.—Amounts includible in computing the net income of the corporation under Supplement E; and gains from the sale or other disposition of any interest in an estate or trust.

(e) PERSONAL SERVICE CONTRACTS.—(1) Amounts received under a contract under which the corporation is to furnish personal services; if some person other than the corporation has the right to designate (by name or by description) the individual who is to perform the services, or if the individual who is to perform the services is designated (by name or by description) in the contract; and (2) amounts received from the sale or other disposition of such a contract. This subsection shall apply with respect to amounts received for services under a particular contract only if at some time during the taxable year 25 per centum or more in value of the outstanding stock of the corporation is owned, directly or indirectly, by or for the individual who has performed, is to perform, or may be designated (by name or by description) as the one to perform, such services.

(f) USE OF CORPORATION PROPERTY BY SHAREHOLDER.—Amounts received as compensation (however designated and from whomsoever received) for the use of, or right to use, property of the corporation in any case where, at any time during the taxable year, 25 per centum or more in value of the outstanding stock of the corporation is owned, directly or indirectly, by or for an individual entitled to the use of the property; whether such right is obtained directly from the corporation or by means of a sublease or other arrangement.

(g) **RENTS.**—Rents, unless constituting 50 per centum or more of the gross income. For the purposes of this subsection the term “rents” means compensation, however designated, for the use of, or right to use, property; but does not include amounts constituting foreign personal holding company income under subsection (f).

### SEC. 333. STOCK OWNERSHIP.

(a) **CONSTRUCTIVE OWNERSHIP.**—For the purpose of determining whether a foreign corporation is a foreign personal holding company, insofar as such determination is based on stock ownership under section 331 (a) (2), section 332 (e), or section 332 (f)—

(1) **STOCK NOT OWNED BY INDIVIDUAL.**—Stock owned, directly or indirectly, by or for a corporation, partnership, estate, or trust shall be considered as being owned proportionately by its shareholders, partners, or beneficiaries.

(2) **FAMILY AND PARTNERSHIP OWNERSHIP.**—An individual shall be considered as owning the stock owned, directly or indirectly, by or for his family or by or for his partner. For the purposes of this paragraph the family of an individual includes only his brothers and sisters (whether by the whole or half blood), spouse, ancestors, and lineal descendants.

(3) **OPTIONS.**—If any person has an option to acquire stock such stock shall be considered as owned by such person. For the purposes of this paragraph an option to acquire such an option, and each one of a series of such options, shall be considered as an option to acquire such stock.

(4) **APPLICATION OF FAMILY-PARTNERSHIP AND OPTION RULES.**—Paragraphs (2) and (3) shall be applied—

(A) For the purposes of the stock ownership requirement provided in section 331 (a) (2), if, but only if, the effect is to make the corporation a foreign personal holding company;

(B) For the purposes of section 332 (e) (relating to personal service contracts), or of section 332 (f) (relating to the use of property by shareholders), if, but only if, the effect is to make the amounts therein referred to includible under such subsection as foreign personal holding company income.

(5) **CONSTRUCTIVE OWNERSHIP AS ACTUAL OWNERSHIP.**—Stock constructively owned by a person by reason of the application of paragraph (1) or (3) shall, for the purpose of applying paragraph (1) or (2), be treated as actually owned by such person; but stock constructively owned by an individual by reason of the application of paragraph (2) shall not be treated as owned by him for the purpose of again applying such paragraph in order to make another the constructive owner of such stock.

(6) **OPTION RULE IN LIEU OF FAMILY AND PARTNERSHIP RULE.**—If stock may be considered as owned by an individual under either paragraph (2) or (3) it shall be considered as owned by him under paragraph (3).

(b) **CONVERTIBLE SECURITIES.**—Outstanding securities convertible into stock (whether or not convertible during the taxable year) shall be considered as outstanding stock—

(1) For the purpose of the stock ownership requirement provided in section 331 (a) (2), but only if the effect of the inclusion of all such securities is to make the corporation a foreign personal holding company;

Rents.

Stock ownership.

Constructive ownership.

*Ante*, pp. 545, 546.

Stock not owned by individual.

Family and partnership ownership.

Options.

Application of family-partnership and option rules.

*Ante*, p. 546.

*Ante*, p. 546.

Constructive ownership as actual ownership.

Option rule in lieu of family and partnership rule.

Convertible securities.

(2) For the purpose of section 332 (e) (relating to personal service contracts), but only if the effect of the inclusion of all such securities is to make the amounts therein referred to includible under such subsection as foreign personal holding company income; and

(3) For the purpose of section 332 (f) (relating to the use of property by shareholders), but only if the effect of the inclusion of all such securities is to make the amounts therein referred to includible under such subsection as foreign personal holding company income.

Exception.

The requirement in paragraphs (1), (2), and (3) that all convertible securities must be included if any are to be included shall be subject to the exception that, where some of the outstanding securities are convertible only after a later date than in the case of others, the class having the earlier conversion date may be included although the others are not included, but no convertible securities shall be included unless all outstanding securities having a prior conversion date are also included.

Gross income.

#### SEC. 334. GROSS INCOME OF FOREIGN PERSONAL HOLDING COMPANIES.

Term defined.

(a) **GENERAL RULE.**—As used in this Supplement with respect to a foreign corporation the term "gross income" means gross income computed (without regard to the provisions of Supplement I) as if the foreign corporation were a domestic corporation.

*Ante*, p. 530.

Additions to gross income.

(b) **ADDITIONS TO GROSS INCOME.**—In the case of a foreign personal holding company (whether or not a United States group, as defined in section 331 (a) (2), existed with respect to such company on the last day of its taxable year) which was a shareholder in another foreign personal holding company on the day in the taxable year (whether beginning before, on or after January 1, 1938) of the second company which was the last day on which a United States group existed with respect to the second company, there shall be included, as a dividend, in the gross income of the first company, for the taxable year in which or with which the taxable year of the second company ends, the amount the first company would have received as a dividend if on such last day there had been distributed by the second company, and received by the shareholders, an amount which bears the same ratio to the undistributed Supplement P net income of the second company for its taxable year as the portion of such taxable year up to and including such last day bears to the entire taxable year.

*Ante*, p. 546.

Application of subsection (b).

(c) **APPLICATION OF SUBSECTION (b).**—The rule provided in subsection (b)—

(1) shall be applied in the case of a foreign personal holding company for the purpose of determining its undistributed Supplement P net income which, or a part of which, is to be included in the gross income of its shareholders, whether United States shareholders or other foreign personal holding companies;

(2) shall be applied in the case of every foreign corporation with respect to which a United States group exists on some day of its taxable year, for the purpose of determining whether such corporation meets the gross income requirements of section 331 (a) (1).

Undistributed Supplement P net income.  
Term defined.

#### SEC. 335. UNDISTRIBUTED SUPPLEMENT P NET INCOME.

For the purposes of this title the term "undistributed Supplement P net income" means the Supplement P net income (as defined in section 336) minus the amount of the basic surtax credit provided

in section 27 (b) (computed without its reduction, under section 27 (b) (1), by the amount of the credit provided in section 26 (a), relating to interest on certain obligations of the United States and Government corporations).

*Ante*, pp. 467, 468.

#### SEC. 336. SUPPLEMENT P NET INCOME.

For the purposes of this title the term "Supplement P net income" means the net income with the following adjustments:

Supplement P net income.

Term defined.

(a) **ADDITIONAL DEDUCTIONS.**—There shall be allowed as deductions—

Additional deductions.

(1) Federal income, war-profits, and excess-profits taxes paid or accrued during the taxable year to the extent not allowed as a deduction under section 23; but not including the tax imposed by section 102, section 401, or a section of a prior income-tax law corresponding to either of such sections.

*Ante*, pp. 460, 483; *post*, p. 557.

(2) In lieu of the deduction allowed by section 23 (q), contributions or gifts payment of which is made within the taxable year to or for the use of donees described in section 23 (q) for the purposes therein specified, to an amount which does not exceed 15 per centum of the company's net income, computed without the benefit of this paragraph and section 23 (q), and without the deduction of the amount disallowed under subsection (b) of this section, and without the inclusion in gross income of the amounts includible therein as dividends by reason of the application of the provisions of section 334 (b) (relating to the inclusion in the gross income of a foreign personal holding company of its distributive share of the undistributed Supplement P net income of another foreign personal holding company in which it is a shareholder).

*Ante*, p. 464.

(b) **DEDUCTIONS NOT ALLOWED.**—

Deductions not allowed.

(1) **TAXES AND PENSION TRUSTS.**—The deductions provided in section 23 (d), relating to taxes of a shareholder paid by the corporation, and in section 23 (p), relating to pension trusts, shall not be allowed.

Taxes and pension trusts.  
*Ante*, pp. 461, 463.

(2) **EXPENSES AND DEPRECIATION.**—The aggregate of the deductions allowed under section 23 (a), relating to expenses, and section 23 (l), relating to depreciation, which are allocable to the operation and maintenance of property owned or operated by the company, shall be allowed only in an amount equal to the rent or other compensation received for the use or right to use the property, unless it is established (under regulations prescribed by the Commissioner with the approval of the Secretary) to the satisfaction of the Commissioner:

Expenses and depreciation.  
*Ante*, p. 460.

(A) That the rent or other compensation received was the highest obtainable, or, if none was received, that none was obtainable;

(B) That the property was held in the course of a business carried on bona fide for profit; and

(C) Either that there was reasonable expectation that the operation of the property would result in a profit, or that the property was necessary to the conduct of the business.

#### SEC. 337. CORPORATION INCOME TAXED TO UNITED STATES SHAREHOLDERS.

(a) **GENERAL RULE.**—The undistributed Supplement P net income of a foreign personal holding company shall be included in the gross income of the citizens or residents of the United States, domestic corporations, domestic partnerships, and estates or trusts (other than estates or trusts the gross income of which under this title includes

Corporation income taxed to United States shareholders.  
General rule.

only income from sources within the United States), who are shareholders in such foreign personal holding company (hereinafter called "United States shareholders") in the manner and to the extent set forth in this Supplement.

Amount included in gross income.

*Ante*, p. 546.

Credit for obligations of United States and its instrumentalities.

*Ante*, pp. 452, 455, 456, 522, 524, 526; *post*, p. 553.

*Ante*, p. 466.

*Ante*, p. 548.

Information in return.

Effect on capital account of foreign personal holding company.

Basis of stock in hands of shareholders.

(b) **AMOUNT INCLUDED IN GROSS INCOME.**—Each United States shareholder, who was a shareholder on the day in the taxable year of the company which was the last day on which a United States group (as defined in section 331 (a) (2)) existed with respect to the company, shall include in his gross income, as a dividend, for the taxable year in which or with which the taxable year of the company ends, the amount he would have received as a dividend if on such last day there had been distributed by the company, and received by the shareholders, an amount which bears the same ratio to the undistributed Supplement P net income of the company for the taxable year as the portion of such taxable year up to and including such last day bears to the entire taxable year.

(c) **CREDIT FOR OBLIGATIONS OF UNITED STATES AND ITS INSTRUMENTALITIES.**—Each United States shareholder shall be allowed a credit against net income, for the purpose of the tax imposed by section 11, 13, 14, 201, 204, 207, or 362, of his proportionate share of the interest specified in section 25 (a) (1) or (2) which is included in the gross income of the company otherwise than by the application of the provisions of section 334 (b) (relating to the inclusion in the gross income of a foreign personal holding company of its distributive share of the undistributed Supplement P net income of another foreign personal holding company in which it is a shareholder).

(d) **INFORMATION IN RETURN.**—Every United States shareholder who is required under subsection (b) to include in his gross income any amount with respect to the undistributed Supplement P net income of a foreign personal holding company and who, on the last day on which a United States group existed with respect to the company, owned 5 per centum or more in value of the outstanding stock of such company, shall set forth in his return in complete detail the gross income, deductions and credits, net income, Supplement P net income, and undistributed Supplement P net income of such company.

(e) **EFFECT ON CAPITAL ACCOUNT OF FOREIGN PERSONAL HOLDING COMPANY.**—An amount which bears the same ratio to the undistributed Supplement P net income of the foreign personal holding company for its taxable year as the portion of such taxable year up to and including the last day on which a United States group existed with respect to the company bears to the entire taxable year, shall, for the purpose of determining the effect of distributions in subsequent taxable years by the corporation, be considered as paid-in surplus or as a contribution to capital and the accumulated earnings and profits as of the close of the taxable year shall be correspondingly reduced, if such amount or any portion thereof is required to be included as a dividend, directly or indirectly, in the gross income of United States shareholders.

(f) **BASIS OF STOCK IN HANDS OF SHAREHOLDERS.**—The amount required to be included in the gross income of a United States shareholder under subsection (b) shall, for the purpose of adjusting the basis of his stock with respect to which the distribution would have been made (if it had been made), be treated as having been reinvested by the shareholder as a contribution to the capital of the corporation; but only to the extent to which such amount is included in his gross income in his return, increased or decreased by any adjustment of such amount in the last determination of the shareholder's tax liability, made before the expiration of seven years after the date prescribed by law for filing the return.

(g) **BASIS OF STOCK IN CASE OF DEATH.**—For basis of stock or securities in a foreign personal holding company acquired from a decedent, see section 113 (a) (5).

Basis of stock in case of death.  
*Ante*, p. 490.

(h) **LIQUIDATION.**—For amount of gain taken into account on liquidation of foreign personal holding company, see section 115 (c).

Liquidation.  
*Ante*, p. 496.

(i) **PERIOD OF LIMITATION ON ASSESSMENT AND COLLECTION.**—For period of limitation on assessment and collection without assessment, in case of failure to include in gross income the amount properly includible therein under subsection (b), see section 275 (d).

Period of limitation on assessment and collection.

*Ante*, p. 539.

### SEC. 338. INFORMATION RETURNS BY OFFICERS AND DIRECTORS.

Information returns by officers and directors.  
Monthly returns.

(a) **MONTHLY RETURNS.**—On the fifteenth day of each month which begins after the date of the enactment of this Act each individual who on such day is an officer or a director of a foreign corporation which, with respect to its taxable year (if not beginning before August 26, 1936) preceding the taxable year (whether beginning on, before, or after January 1, 1938) in which such month occurs, was a foreign personal holding company, shall file with the Commissioner a return setting forth with respect to the preceding calendar month the name and address of each shareholder, the class and number of shares held by each, together with any changes in stockholdings during such period, the name and address of any holder of securities convertible into stock of such corporation, and such other information with respect to the stock and securities of the corporation as the Commissioner with the approval of the Secretary shall by regulations prescribe as necessary for carrying out the provisions of this Act. The Commissioner, with the approval of the Secretary, may by regulations prescribe, as the period with respect to which returns shall be filed, a longer period than a month. In such case the return shall be due on the fifteenth day of the succeeding period, and shall be filed by the individuals who on such day are officers and directors of the corporation.

(b) **ANNUAL RETURNS.**—On the sixtieth day after the close of the taxable year of a foreign personal holding company each individual who on such sixtieth day is an officer or director of the corporation shall file with the Commissioner a return setting forth—

Annual returns.

(1) In complete detail the gross income, deductions and credits, net income, Supplement P net income, and undistributed Supplement P net income of such foreign personal holding company for such taxable year; and

(2) The same information with respect to such taxable year as is required in subsection (a); except that if all the required returns with respect to such year have been filed under subsection (a) no information under this paragraph need be set forth in the return filed under this subsection.

### SEC. 339. INFORMATION RETURNS BY SHAREHOLDERS.

Information returns by shareholders.  
Monthly returns.

(a) **MONTHLY RETURNS.**—On the fifteenth day of each month which begins after the date of the enactment of this Act each United States shareholder, by or for whom 50 per centum or more in value of the outstanding stock of a foreign corporation is owned directly or indirectly (including in the case of an individual, stock owned by the members of his family as defined in section 333 (a) (2)), if such foreign corporation with respect to its taxable year (if not beginning before August 26, 1936) preceding the taxable year (whether beginning on, before, or after January 1, 1938) in which such month occurs was a foreign personal holding company, shall file with the Commissioner a return setting forth with respect to the preceding

*Ante*, p. 547.

Time extension permitted.

calendar month the name and address of each shareholder, the class and number of shares held by each, together with any changes in stockholdings during such period, the name and address of any holder of securities convertible into stock of such corporation, and such other information with respect to the stock and securities of the corporation as the Commissioner with the approval of the Secretary shall by regulations prescribe as necessary for carrying out the provisions of this Act. The Commissioner, with the approval of the Secretary, may by regulations prescribe, as the period with respect to which returns shall be filed, a longer period than a month. In such case the return shall be due on the fifteenth day of the succeeding period, and shall be filed by the persons who on such day are United States shareholders.

Annual returns.

*Ante*, p. 547.

(b) **ANNUAL RETURNS.**—On the sixtieth day after the close of the taxable year of a foreign personal holding company each United States shareholder by or for whom on such sixtieth day 50 per centum or more in value of the outstanding stock of such company is owned directly or indirectly (including in the case of an individual, stock owned by members of his family as defined in section 333 (a) (2)), shall file with the Commissioner a return setting forth the same information with respect to such taxable year as is required in subsection (a); except that if all the required returns with respect to such year have been filed under subsection (a) no return shall be required under this subsection.

Penalties.

Willful failure to comply with specified sections.

*Ante*, p. 513.

#### SEC. 340. PENALTIES.

Any person required under section 338 or 339 to file a return, or to supply any information, who willfully fails to file such return, or supply such information, at the time or times required by law or regulations, shall, in lieu of the penalties provided in section 145 (a) for such offense, be guilty of a misdemeanor and, upon conviction thereof, be fined not more than \$2,000, or imprisoned for not more than one year, or both.

Mutual investment companies.

#### Supplement Q—Mutual Investment Companies

#### SEC. 361. DEFINITION.

Term defined.

*Post*, p. 557.

(a) **IN GENERAL.**—For the purposes of this title the term “mutual investment company” means any domestic corporation (whether chartered or created as an investment trust, or otherwise), other than a personal holding company as defined in Title IA, if—

(1) It is organized for the purpose of, and substantially all its business consists of, holding, investing, or reinvesting in stock or securities; and

(2) At least 95 per centum of its gross income is derived from dividends, interest, and gains from sales or other disposition of stock or securities; and

(3) Less than 30 per centum of its gross income is derived from the sale or other disposition of stock or securities held for less than six months; and

(4) An amount not less than 90 per centum of its net income is distributed to its shareholders as taxable dividends during the taxable year; and

(5) Its shareholders are, upon reasonable notice, entitled to redemption of their stock for their proportionate interests in the corporation's properties, or the cash equivalent thereof less a discount not in excess of 3 per centum thereof.

(b) **LIMITATIONS.**—Despite the provisions of paragraph (1) a corporation shall not be considered as a mutual investment company if at any time during the taxable year—

Limitations.

(1) More than 5 per centum of the gross assets of the corporation, taken at cost, was invested in stock or securities, or both, of any one corporation, government, or political subdivision thereof, but this limitation shall not apply to investments in obligations of the United States or in obligations of any corporation organized under general Act of Congress if such corporation is an instrumentality of the United States; or

(2) It owned more than 10 per centum of the outstanding stock or securities, or both, of any one corporation; or

(3) It had any outstanding bonds or indebtedness in excess of 10 per centum of its gross assets taken at cost; or

(4) It fails to comply with any rule or regulation prescribed by the Commissioner, with the approval of the Secretary, for the purpose of ascertaining the actual ownership of its outstanding stock.

#### SEC. 362. TAX ON MUTUAL INVESTMENT COMPANIES.

Tax.

(a) **SUPPLEMENT Q NET INCOME.**—For the purposes of this title the term “Supplement Q net income” means the adjusted net income minus the basic surtax credit computed under section 27 (b) without the application of paragraphs (2) and (3).

Supplement Q net income.

*Ante*, p. 468.

(b) **IMPOSITION OF TAX.**—There shall be levied, collected, and paid for each taxable year upon the Supplement Q net income of every mutual investment company a tax equal to 16½ per centum of the amount thereof.

Imposition of tax.

#### Supplement R—Exchanges and Distributions in Obedience to Orders of Securities and Exchange Commission

#### SEC. 371. NONRECOGNITION OF GAIN OR LOSS.

Exchanges and distributions in obedience to orders of Securities and Exchange Commission.  
Nonrecognition of gain or loss.

Exchanges of stock or securities only.

(a) **EXCHANGES OF STOCK OR SECURITIES ONLY.**—No gain or loss shall be recognized to the transferor if stock or securities in a corporation which is a registered holding company or a majority-owned subsidiary company are transferred to such corporation or to an associate company thereof which is a registered holding company or a majority-owned subsidiary company solely in exchange for stock or securities (other than stock or securities which are nonexempt property), and the exchange is made by the transferee corporation in obedience to an order of the Securities and Exchange Commission.

(b) **EXCHANGES OF PROPERTY FOR PROPERTY BY CORPORATIONS.**—No gain or loss shall be recognized to a transferor corporation which is a registered holding company or an associate company of a registered holding company, if such corporation, in obedience to an order of the Securities and Exchange Commission transfers property solely in exchange for property (other than nonexempt property), and such order recites that such exchange by the transferor corporation is necessary or appropriate to the integration or simplification of the holding company system of which the transferor corporation is a member.

Exchanges of property for property by corporations.

(c) **DISTRIBUTION OF STOCK OR SECURITIES ONLY.**—If there is distributed, in obedience to an order of the Securities and Exchange Commission, to a shareholder in a corporation which is a registered holding company or a majority-owned subsidiary company, stock or securities (other than stock or securities which are nonexempt property), without the surrender by such shareholder of stock or securities

Distribution of stock or securities only.



in such corporation, no gain to the distributee from the receipt of the stock or securities so distributed shall be recognized.

Transfers within  
system group.

Property distributed  
to corporation as a  
shareholder.

If property consists  
of stock, etc., issued  
by corporation from  
which received.

Use in retirement of  
stock.

Exception.

Exchanges not solely  
in kind.

Distribution which  
has the effect of dis-  
tribution of taxable  
dividend.

Application of sec-  
tion.

(d) **TRANSFERS WITHIN SYSTEM GROUP.**—(1) No gain or loss shall be recognized to a corporation which is a member of a system group (A) if such corporation transfers property to another corporation which is a member of the same system group in exchange for other property, and the exchange by each corporation is made in obedience to an order of the Securities and Exchange Commission, or (B) if there is distributed to such corporation as a shareholder in a corporation which is a member of the same system group, property, without the surrender by such shareholder of stock or securities in the corporation making the distribution, and the distribution is made and received in obedience to an order of the Securities and Exchange Commission. If an exchange by or a distribution to a corporation with respect to which no gain or loss is recognized under any of the provisions of this paragraph may also be considered to be within the provisions of subsection (a), (b), or (c), then the provisions of this paragraph only shall apply.

(2) If the property received upon an exchange which is within any of the provisions of paragraph (1) of this subsection consists in whole or in part of stock or securities issued by the corporation from which such property was received, and if in obedience to an order of the Securities and Exchange Commission such stock or securities (other than stock which is not preferred as to both dividends and assets) are sold and the proceeds derived therefrom are applied in whole or in part in the retirement or cancellation of stock or of securities of the recipient corporation outstanding at the time of such exchange, no gain or loss shall be recognized to the recipient corporation upon the sale of the stock or securities with respect to which such order was made; except that if any part of the proceeds derived from the sale of such stock or securities is not so applied, or if the amount of such proceeds is in excess of the fair market value of such stock or securities at the time of such exchange, the gain, if any, shall be recognized, but in an amount not in excess of the proceeds which are not so applied, or in an amount not more than the amount by which the proceeds derived from such sale exceed such fair market value, whichever is the greater.

(e) **EXCHANGES NOT SOLELY IN KIND.**—(1) If an exchange (not within any of the provisions of subsection (d)) would be within the provisions of subsection (a) or (b) if it were not for the fact that property received in exchange consists not only of property permitted by such subsection to be received without the recognition of gain or loss, but also of other property or money, then the gain, if any, to the recipient shall be recognized, but in an amount not in excess of the sum of such money and the fair market value of such other property, and the loss, if any, to the recipient shall not be recognized.

(2) If an exchange is within the provisions of paragraph (1) of this subsection and if it includes a distribution which has the effect of the distribution of a taxable dividend, then there shall be taxed as a dividend to each distributee such an amount of the gain recognized under such paragraph (1) as is not in excess of his ratable share of the undistributed earnings and profits of the corporation accumulated after February 28, 1913. The remainder, if any, of the gain recognized under such paragraph (1) shall be taxed as a gain from the exchange of property.

(f) **APPLICATION OF SECTION.**—The provisions of this section shall not apply to an exchange or distribution unless (1) the order of the Securities and Exchange Commission in obedience to which such

exchange or distribution was made recites that such exchange or distribution is necessary or appropriate to effectuate the provisions of section 11 (b) of the Public Utility Holding Company Act of 1935, (2) such order specifies and itemizes the stock and securities and other property which are ordered to be transferred and received upon such exchange or distribution, and (3) such exchange or distribution was made in obedience to such order and was completed within the time prescribed therefor in such order.

(g) **NON-APPLICATION OF OTHER PROVISIONS.**—If an exchange or distribution made in obedience to an order of the Securities and Exchange Commission is within any of the provisions of this section and may also be considered to be within any of the provisions of section 112 (other than the provisions of paragraph (8) of subsection (b)), then the provisions of this section only shall apply.

49 Stat. 820.  
15 U. S. C., Supp.  
III, § 79k.

Non-application of  
other provisions.

*Ante*, p. 485.

#### SEC. 372. BASIS FOR DETERMINING GAIN OR LOSS.

(a) **EXCHANGES GENERALLY.**—If the property was acquired upon an exchange subject to the provisions of section 371 (a), (b), or (e), the basis shall be the same as in the case of the property exchanged, decreased in the amount of any money received by the taxpayer and increased in the amount of gain or decreased in the amount of loss to the taxpayer that was recognized upon such exchange under the law applicable to the year in which the exchange was made. If the property so acquired consisted in part of the type of property permitted by section 371 (a) or (b) to be received without the recognition of gain or loss, and in part of nonexempt property, the basis provided in this subsection shall be allocated between the properties (other than money) received, and for the purpose of the allocation there shall be assigned to such nonexempt property (other than money) an amount equivalent to its fair market value at the date of the exchange. This subsection shall not apply to property acquired by a corporation by the issuance of its stock or securities as the consideration in whole or in part for the transfer of the property to it.

Basis for determin-  
ing gain or loss.  
Exchanges gen-  
erally.  
*Ante*, pp. 553, 554.

Nonexempt prop-  
erty.

Assignment of  
amount equivalent to  
fair market value.

(b) **TRANSFERS TO CORPORATIONS.**—If, in connection with a transfer subject to the provisions of section 371 (a), (b), or (e), the property was acquired by a corporation, either as paid-in surplus or as a contribution to capital, or in consideration for stock or securities issued by the corporation receiving the property (including cases where part of the consideration for the transfer of such property to the corporation consisted of property or money in addition to such stock or securities), then the basis shall be the same as it would be in the hands of the transferor, increased in the amount of gain or decreased in the amount of loss recognized to the transferor upon such transfer under the law applicable to the year in which the transfer was made.

Transfers to corpo-  
rations.

(c) **DISTRIBUTIONS OF STOCK OR SECURITIES.**—If the stock or securities were received in a distribution subject to the provisions of section 371 (c), then the basis in the case of the stock in respect of which the distribution was made shall be apportioned, under rules and regulations prescribed by the Commissioner with the approval of the Secretary, between such stock and the stock or securities distributed.

Distributions of  
stock or securities.

(d) **TRANSFERS WITHIN SYSTEM GROUP.**—If the property was acquired by a corporation which is a member of a system group upon a transfer or distribution described in section 371 (d) (1), then the basis shall be the same as it would be in the hands of the transferor; except that if such property is stock or securities issued by the corporation from which such stock or securities were received and they

Transfers within  
system group.

were issued (1) as the sole consideration for the property transferred to such corporation, then the basis of such stock or securities shall be either (A) the same as in the case of the property transferred therefor, or (B) the fair market value of such stock or securities at the time of their receipt, whichever is the lower; or (2) as part consideration for the property transferred to such corporation, then the basis of such stock or securities shall be either (A) an amount which bears the same ratio to the basis of the property transferred as the fair market value of such stock or securities at the time of their receipt bears to the total fair market value of the entire consideration received, or (B) the fair market value of such stock or securities at the time of their receipt, whichever is the lower.

## Definitions.

## SEC. 373. DEFINITIONS.

As used in this supplement—

"Order of the Securities and Exchange Commission."

49 Stat. 820.  
15 U. S. C., Supp.  
III, § 79k.

"Registered holding company", "holding company system", and "associate company".

49 Stat. 804.  
15 U. S. C., Supp.  
III, § 79b.  
"Majority-owned subsidiary company."

"System group."

"Nonexempt property."

(a) The term "order of the Securities and Exchange Commission" means an order (1) issued after the date of enactment of this Act and prior to January 1, 1940, by the Securities and Exchange Commission to effectuate the provisions of section 11 (b) of the Public Utility Holding Company Act of 1935, or (2) issued by the Commission subsequent to December 31, 1939, in which it is expressly stated that an order of the character specified in clause (1) is amended or supplemented, and (3) which has become final in accordance with law.

(b) The terms "registered holding company", "holding-company system", and "associate company" shall have the meanings assigned to them by section 2 of the Public Utility Holding Company Act of 1935.

(c) The term "majority-owned subsidiary company" of a registered holding company means a corporation, stock of which, representing in the aggregate more than 50 per centum of the total combined voting power of all classes of stock of such corporation entitled to vote (not including stock which is entitled to vote only upon default or nonpayment of dividends or other special circumstances) is owned wholly by such registered holding company, or partly by such registered holding company and partly by one or more majority-owned subsidiary companies thereof, or by one or more majority-owned subsidiary companies of such registered holding company.

(d) The term "system group" means one or more chains of corporations connected through stock ownership with a common parent corporation if—

(1) At least 90 per centum of each class of the stock (other than stock which is preferred as to both dividends and assets) of each of the corporations (except the common parent corporation) is owned directly by one or more of the other corporations; and

(2) The common parent corporation owns directly at least 90 per centum of each class of the stock (other than stock which is preferred as to both dividends and assets) of at least one of the other corporations; and

(3) Each of the corporations is either a registered holding company or a majority-owned subsidiary company.

(e) The term "nonexempt property" means—

(1) Any consideration in the form of a cancellation or assumption of debts or other liabilities (including a continuance of encumbrances subject to which the property was transferred);

(2) Short-term obligations (including notes, drafts, bills of exchange, and bankers' acceptances) having a maturity at the

time of issuance of not exceeding twenty-four months, exclusive of days of grace;

(3) Securities issued or guaranteed as to principal or interest by a government or subdivision thereof (including those issued by a corporation which is an instrumentality of a government or subdivision thereof);

(4) Stock or securities which were acquired after February 28, 1938, unless such stock or securities (other than obligations described as nonexempt property in paragraph (2) or (3)) were acquired in obedience to an order of the Securities and Exchange Commission;

(5) Money, and the right to receive money not evidenced by a security other than an obligation described as nonexempt property in paragraph (2) or (3).

(f) The term "stock or securities" means shares of stock in any corporation, certificates of stock or interest in any corporation, notes, bonds, debentures, and evidences of indebtedness (including any evidence of an interest in or right to subscribe to or purchase any of the foregoing).

"Stock or securities."

## TITLE IA—PERSONAL HOLDING COMPANIES

Title IA—Personal Holding Companies.

### SEC. 401. SURTAX ON PERSONAL HOLDING COMPANIES.

There shall be levied, collected, and paid, for each taxable year, upon the undistributed Title IA net income of every personal holding company (in addition to the taxes imposed by Title I) a surtax equal to the sum of the following:

Surtax.

(1) 65 per centum of the amount thereof not in excess of \$2,000; plus

Rates imposed.

(2) 75 per centum of the amount thereof in excess of \$2,000.

### SEC. 402. DEFINITION OF PERSONAL HOLDING COMPANY.

Definition.

(a) GENERAL RULE.—For the purposes of this title, and Title I, the term "personal holding company" means any corporation if—

"Personal holding company."

(1) GROSS INCOME REQUIREMENT.—At least 80 per centum of its gross income for the taxable year is personal holding company income as defined in section 403; but if the corporation is a personal holding company with respect to any taxable year beginning after December 31, 1936, then, for each subsequent taxable year, the minimum percentage shall be 70 per centum in lieu of 80 per centum, until a taxable year during the whole of the last half of which the stock ownership required by paragraph (2) does not exist, or until the expiration of three consecutive taxable years in each of which less than 70 per centum of the gross income is personal holding company income; and

Gross income requirement.

(2) STOCK OWNERSHIP REQUIREMENT.—At any time during the last half of the taxable year more than 50 per centum in value of its outstanding stock is owned, directly or indirectly, by or for not more than five individuals.

Stock ownership requirement.

(b) EXCEPTIONS.—The term "personal holding company" does not include a corporation exempt from taxation under section 101, a bank as defined in section 104, a life insurance company, a surety company, a foreign personal holding company as defined in section 331, or a licensed personal finance company, under State supervision, at least 80 per centum of the gross income of which is lawful interest received from individuals each of whose indebtedness to such company did not at any time during the taxable year exceed \$300 in principal amount, if such interest is not payable in advance or compounded and is computed only on unpaid balances.

Exceptions.  
*Ante*, pp. 480, 484, 545.

Corporations making consolidated returns.

(c) **CORPORATIONS MAKING CONSOLIDATED RETURNS.**—If the common parent corporation of an affiliated group of corporations making a consolidated return under the provisions of section 141 satisfies the stock ownership requirement provided in section 402 (a) (2), and the income of such affiliated group, determined as provided in section 141, satisfies the gross income requirement provided in section 402 (a) (1), such affiliated group shall be subject to the surtax imposed by this title.

Personal holding company income.

Term defined.

Dividends, etc.

Stock and securities transactions.

Commodities transactions.

Estates and trusts.  
*Ante*, p. 517.

Personal service contracts.

Use of corporation property by shareholder.

Rents.

#### SEC. 403. PERSONAL HOLDING COMPANY INCOME.

For the purposes of this title the term "personal holding company income" means the portion of the gross income which consists of:

(a) Dividends, interest (other than interest constituting rent as defined in subsection (g)), royalties (other than mineral, oil, or gas royalties), annuities.

(b) **STOCK AND SECURITIES TRANSACTIONS.**—Except in the case of regular dealers in stock or securities, gains from the sale or exchange of stock or securities.

(c) **COMMODITIES TRANSACTIONS.**—Gains from futures transactions in any commodity on or subject to the rules of a board of trade or commodity exchange. This subsection shall not apply to gains by a producer, processor, merchant, or handler of the commodity which arise out of bona fide hedging transactions reasonably necessary to the conduct of its business in the manner in which such business is customarily and usually conducted by others.

(d) **ESTATES AND TRUSTS.**—Amounts includible in computing the net income of the corporation under Supplement E of Title I; and gains from the sale or other disposition of any interest in an estate or trust.

(e) **PERSONAL SERVICE CONTRACTS.**—(1) Amounts received under a contract under which the corporation is to furnish personal services; if some person other than the corporation has the right to designate (by name or by description) the individual who is to perform the services, or if the individual who is to perform the services is designated (by name or by description) in the contract; and (2) amounts received from the sale or other disposition of such a contract. This subsection shall apply with respect to amounts received for services under a particular contract only if at some time during the taxable year 25 per centum or more in value of the outstanding stock of the corporation is owned, directly or indirectly, by or for the individual who has performed, is to perform, or may be designated (by name or by description) as the one to perform, such services.

(f) **USE OF CORPORATION PROPERTY BY SHAREHOLDER.**—Amounts received as compensation (however designated and from whomsoever received) for the use of, or right to use, property of the corporation in any case where, at any time during the taxable year, 25 per centum or more in value of the outstanding stock of the corporation is owned, directly or indirectly, by or for an individual entitled to the use of the property; whether such right is obtained directly from the corporation or by means of a sublease or other arrangement.

(g) **RENTS.**—Rents, unless constituting 50 per centum or more of the gross income. For the purposes of this subsection the term "rents" means compensation, however designated, for the use of, or right to use, property, and the interest on debts owed to the corporation, to the extent such debts represent the price for which real property held primarily for sale to customers in the ordinary course of its trade or business was sold or exchanged by the corporation;

but does not include amounts constituting personal holding company income under subsection (f).

(h) **MINERAL, OIL, OR GAS ROYALTIES.**—Mineral, oil, or gas royalties, unless (1) constituting 50 per centum or more of the gross income, and (2) the deductions allowable under section 23 (a) (relating to expenses) other than compensation for personal services rendered by shareholders, constitute 15 per centum or more of the gross income.

Mineral, oil, or gas royalties.

*Ante*, p. 460.

#### SEC. 404. STOCK OWNERSHIP.

Stock ownership.

(a) **CONSTRUCTIVE OWNERSHIP.**—For the purpose of determining whether a corporation is a personal holding company, insofar as such determination is based on stock ownership under section 402 (a) (2), section 403 (e), or section 403 (f)—

Constructive ownership.

*Ante*, pp. 557, 558.

(1) **STOCK NOT OWNED BY INDIVIDUAL.**—Stock owned, directly or indirectly, by or for a corporation, partnership, estate, or trust shall be considered as being owned proportionately by its shareholders, partners, or beneficiaries.

Stock not owned by individual.

(2) **FAMILY AND PARTNERSHIP OWNERSHIP.**—An individual shall be considered as owning the stock owned, directly or indirectly, by or for his family or by or for his partner. For the purposes of this paragraph the family of an individual includes only his brothers and sisters (whether by the whole or half blood), spouse, ancestors, and lineal descendants.

Family and partnership ownership.

(3) **OPTIONS.**—If any person has an option to acquire stock such stock shall be considered as owned by such person. For the purposes of this paragraph an option to acquire such an option, and each one of a series of such options, shall be considered as an option to acquire such stock.

Options.

(4) **APPLICATION OF FAMILY-PARTNERSHIP AND OPTION RULES.**—Paragraphs (2) and (3) shall be applied—

Application of family-partnership and option rules.

(A) For the purposes of the stock ownership requirement provided in section 402 (a) (2), if, but only if, the effect is to make the corporation a personal holding company;

(B) For the purposes of section 403 (e) (relating to personal service contracts), or of section 403 (f) (relating to the use of property by shareholders), if, but only if, the effect is to make the amounts therein referred to includible under such subsection as personal holding company income.

(5) **CONSTRUCTIVE OWNERSHIP AS ACTUAL OWNERSHIP.**—Stock constructively owned by a person by reason of the application of paragraph (1) or (3) shall, for the purpose of applying paragraph (1) or (2), be treated as actually owned by such person; but stock constructively owned by an individual by reason of the application of paragraph (2) shall not be treated as owned by him for the purpose of again applying such paragraph in order to make another the constructive owner of such stock.

Constructive ownership as actual ownership.

(6) **OPTION RULE IN LIEU OF FAMILY AND PARTNERSHIP RULE.**—If stock may be considered as owned by an individual under either paragraph (2) or (3) it shall be considered as owned by him under paragraph (3).

Option rule in lieu of family and partnership rule.

(b) **CONVERTIBLE SECURITIES.**—Outstanding securities convertible into stock (whether or not convertible during the taxable year) shall be considered as outstanding stock—

Convertible securities.

(1) For the purpose of the stock ownership requirement provided in section 402 (a) (2), but only if the effect of the inclusion

*Ante*, p. 557.

of all such securities is to make the corporation a personal holding company;

(2) For the purpose of section 403 (e) (relating to personal service contracts), but only if the effect of the inclusion of all such securities is to make the amounts therein referred to includible under such subsection as personal holding company income; and

(3) For the purpose of section 403 (f) (relating to the use of property by shareholders), but only if the effect of the inclusion of all such securities is to make the amounts therein referred to includible under such subsection as personal holding company income.

**Exception.** The requirement in paragraphs (1), (2), and (3) that all convertible securities must be included if any are to be included shall be subject to the exception that, where some of the outstanding securities are convertible only after a later date than in the case of others, the class having the earlier conversion date may be included although the others are not included, but no convertible securities shall be included unless all outstanding securities having a prior conversion date are also included.

**Undistributed Title IA net income.**

**Term defined.**

**Dividends paid credit.**

*Ante*, p. 468.

**Computation.**

**Amounts set aside to retire indebtedness.**

**Dividends.**

**Maximum amount allowed.**

#### SEC. 405. UNDISTRIBUTED TITLE IA NET INCOME.

For the purposes of this title the term "undistributed Title IA net income" means the Title IA net income (as defined in section 406) minus—

(a) The amount of the dividends paid credit provided in section 27 (a) without the benefit of paragraphs (3) and (4) thereof (computed without its reduction, under section 27 (b) (1), by the amount of the credit provided in section 26 (a), relating to interest on certain obligations of the United States and Government corporations); but, in the computation of the dividends paid credit for the purposes of this title, the amount allowed under subsection (c) of this section in the computation of the tax under this title for any preceding taxable year shall be considered as a dividend paid in such preceding taxable year and not in the year of distribution;

(b) Amounts used or irrevocably set aside to pay or to retire indebtedness of any kind incurred prior to January 1, 1934, if such amounts are reasonable with reference to the size and terms of such indebtedness;

(c) Dividends paid after the close of the taxable year and before the 15th day of the third month following the close of the taxable year, if claimed under this subsection in the return, but only to the extent to which such dividends are includible, for the purposes of Title I, in the computation of the basic surtax credit for the year of distribution; but the amount allowed under this subsection shall not exceed either:

(1) The accumulated earnings and profits as of the close of the taxable year; or

(2) The undistributed Title IA net income for the taxable year computed without regard to this subsection; or

(3) 10 per centum of the sum of—

(A) The dividends paid during the taxable year (reduced by the amount allowed under this subsection in the computation of the tax under this title for the taxable year preceding the taxable year); and

(B) The consent dividends credit for the taxable year.

**SEC. 406. TITLE IA NET INCOME.**

For the purposes of this title the term "Title IA net income" means the net income with the following adjustments:

(a) **ADDITIONAL DEDUCTIONS.**—There shall be allowed as deductions—

(1) Federal income, war-profits, and excess-profits taxes paid or accrued during the taxable year to the extent not allowed as a deduction under section 23; but not including the tax imposed by section 102, section 401, or a section of a prior income-tax law corresponding to either of such sections.

(2) In lieu of the deduction allowed by section 23 (q), contributions or gifts payment of which is made within the taxable year to or for the use of donees described in section 23 (q) for the purposes therein specified, to an amount which does not exceed 15 per centum of the taxpayer's net income, computed without the benefit of this paragraph and section 23 (q), and without the deduction of the amount disallowed under subsection (b) of this section.

(3) In the case of a corporation organized prior to January 1, 1936, to take over the assets and liabilities of the estate of a decedent, amounts paid in liquidation of any liability of the corporation based on the liability of the decedent to make contributions or gifts to or for the use of donees described in section 23 (o) for the purposes therein specified, to the extent such liability of the decedent existed prior to January 1, 1934. No deduction shall be allowed under paragraph (2) of this subsection for a taxable year for which a deduction is allowed under this paragraph.

(b) **DEDUCTIONS NOT ALLOWED.**—The aggregate of the deductions allowed under section 23 (a), relating to expenses, and section 23 (1), relating to depreciation, which are allocable to the operation and maintenance of property owned or operated by the corporation, shall be allowed only in an amount equal to the rent or other compensation received for the use of, or the right to use, the property, unless it is established (under regulations prescribed by the Commissioner with the approval of the Secretary) to the satisfaction of the Commissioner:

(1) That the rent or other compensation received was the highest obtainable, or, if none was received, that none was obtainable;

(2) That the property was held in the course of a business carried on bona fide for profit; and

(3) Either that there was reasonable expectation that the operation of the property would result in a profit, or that the property was necessary to the conduct of the business.

**SEC. 407. DEFICIENCY DIVIDENDS—CREDITS AND REFUNDS.**

(a) **CREDIT AGAINST UNPAID DEFICIENCY.**—If the amount of a deficiency with respect to the tax imposed by this title for any taxable year has been established—

(1) by a decision of the Board of Tax Appeals which has become final; or

(2) by a closing agreement made under section 606 of the Revenue Act of 1928, as amended; or

(3) by a final judgment in a suit to which the United States is a party;

then a deficiency dividend credit shall be allowed against the amount of the deficiency so established and all interest, additional amounts,

Title IA net income.

Term defined.

Additional deductions.

Federal income, etc., taxes paid or accrued during taxable year. *Ante*, pp. 460, 483, 557.

Charitable, etc., contributions, limitation. *Ante*, p. 464.

Corporations organized to take over assets, etc., of estate.

*Ante*, p. 463.

Deductions not allowed. *Ante*, p. 460.

Deficiency dividends.

Credit against unpaid deficiency.

45 Stat. 874.

Deficiency dividend credit allowance.



Amount.	and additions to the tax provided by law not paid on or before the date when claim for a deficiency dividend credit is filed under subsection (d). The amount of such credit shall be 65 per centum of the amount of deficiency dividends, as defined in subsection (c), not in excess of \$2,000, plus 75 per centum of the amount of such dividends in excess of \$2,000; but such credit shall not exceed the portion of the deficiency so established which is not paid on or before the date of the closing agreement, or the date the decision of the Board or the judgment becomes final, as the case may be. Such credit shall be allowed as of the date the claim for deficiency dividend credit is filed.
Credit or refund of deficiency paid.	(b) CREDIT OR REFUND OF DEFICIENCY PAID.—When the Commissioner has determined that there is a deficiency with respect to the tax imposed by this title and the corporation has paid any portion of such asserted deficiency and it has been established— (1) by a decision of the Board of Tax Appeals which has become final; or (2) by a closing agreement made under section 606 of the Revenue Act of 1928, as amended; or (3) by a final judgment in a suit against the United States for refund— (A) if such suit is brought within six months after the corporation became entitled to bring suit, and (B) if claim for refund was filed within six months after the payment of such amount;
45 Stat. 874.	
Credits or refunds.	that any portion of the amount so paid was the whole or a part of a deficiency at the time when paid, then there shall be credited or refunded to the corporation an amount equal to 65 per centum of the amount of deficiency dividends not in excess of \$2,000, plus 75 per centum of the amount of such dividends in excess of \$2,000, but such credit or refund shall not exceed the portion so paid by the corporation. Such credit or refund shall be made as provided in section 322 but without regard to subsection (b) or subsection (c) thereof. No interest shall be allowed on such credit or refund. No credit or refund shall be made under this subsection with respect to any amount of tax paid after the date of the closing agreement, or the date the decision of the Board or the judgment becomes final, as the case may be.
Ante, p. 544.	
Deficiency dividends. Definition.	(c) DEFICIENCY DIVIDENDS.— (1) DEFINITION.—For the purpose of this title, the term “deficiency dividends” means the amount of the dividends paid, on or after the date of the closing agreement or on or after the date the decision of the Board or the judgment becomes final, as the case may be, and prior to filing claim under subsection (d), which are includible, for the purposes of Title I, in the computation of the basic surtax credit for the year of distribution. No dividends shall be considered as deficiency dividends for the purposes of allowance of credit under subsection (a) unless (under regulations prescribed by the Commissioner with the approval of the Secretary) the corporation files, within thirty days after the date of the closing agreement, or the date upon which the decision of the Board or judgment becomes final, as the case may be, notification (which specifies the amount of the credit intended to be claimed) of its intention to have the dividends so considered.
Effect on dividends paid credit. For taxable year in which paid.	(2) EFFECT ON DIVIDENDS PAID CREDIT.— (A) FOR TAXABLE YEAR IN WHICH PAID.—Deficiency dividends paid in any taxable year (to the extent of the portion thereof with respect to which the credit under sub-

section (a), or the credit or refund under subsection (b), or both, are allowed) shall be subtracted from the basic surtax credit for such year, but only for the purpose of computing the tax under this title for such year and succeeding years.

(B) **FOR PRIOR TAXABLE YEAR.**—Deficiency dividends paid in any taxable year (to the extent of the portion thereof with respect to which the credit under subsection (a), or the credit or refund under subsection (b), or both, are allowed) shall not be allowed under section 405 (c) in the computation of the tax under this title for any taxable year preceding the taxable year in which paid.

For prior taxable year.

*Ante*, p. 539.

Claim required.

(d) **CLAIM REQUIRED.**—No deficiency dividends credits shall be allowed under subsection (a) and no credit or refund shall be made under subsection (b) unless (under regulations prescribed by the Commissioner with the approval of the Secretary) claim therefor is filed within sixty days after the date of the closing agreement, or the date upon which the decision of the Board or judgment becomes final, as the case may be.

(e) **SUSPENSION OF STATUTE OF LIMITATIONS AND STAY OF COLLECTION.**—

(1) **SUSPENSION OF RUNNING OF STATUTE.**—If the corporation files a notification, as provided in subsection (c), to have dividends considered as deficiency dividends, the running of the statute of limitations provided in section 275 or 276 on the making of assessments and the bringing of distraint or a proceeding in court for collection, in respect of the deficiency and all interest, additional amounts, and additions to the tax provided by law, shall be suspended for a period of two years after the date of the filing of such notification.

Suspension of running of statute of limitations.

*Ante*, pp. 539, 540.

(2) **STAY OF COLLECTION.**—In the case of any deficiency with respect to the tax imposed by this title established as provided in subsection (a)—

Stay of collection.

(A) The collection of the deficiency and all interest, additional amounts, and additions to the tax provided for by law shall, except in cases of jeopardy, be stayed until the expiration of thirty days after the date of the closing agreement, or the date upon which the decision of the Board or judgment becomes final, as the case may be.

(B) If notification has been filed, as provided in subsection (c), the collection of such part of the deficiency as is not in excess of either the credit allowable under subsection (a) or the amount which, in the notification, is specified as intended to be claimed as credit, shall, except in cases of jeopardy, be stayed until the expiration of sixty days after the date of the closing agreement, or the date upon which the decision of the Board or judgment becomes final, as the case may be.

(C) If claim for deficiency dividend credit is filed under subsection (d), the collection of such part of the deficiency as is not in excess of either the credit allowable under subsection (a) or the amount claimed, shall be stayed until the date the claim for credit is disallowed (in whole or in part), and if disallowed in part collection shall be made only of the part disallowed.

No distraint or proceeding in court shall be begun for the collection of an amount the collection of which is stayed under subparagraph (A), (B), or (C) during the period for which the collection of such amount is stayed.

Credit or refund  
denied if fraud, etc.

(f) **CREDIT OR REFUND DENIED IF FRAUD, ETC.**—No deficiency dividend credit shall be allowed under subsection (a) and no credit or refund shall be made under subsection (b) if the closing agreement, decision of the Board, or judgment contains a finding that any part of the deficiency is due to fraud with intent to evade tax, or to failure to file the return under this title within the time prescribed by law or prescribed by the Commissioner in pursuance of law, unless it is shown that such failure to file is due to reasonable cause and not due to willful neglect.

Terms used.

#### SEC. 408. MEANING OF TERMS USED.

Meaning.  
*Ante*, p. 452.

The terms used in this title shall have the same meaning as when used in Title I.

Administrative provisions.

#### SEC. 409. ADMINISTRATIVE PROVISIONS.

All provisions of law (including penalties) applicable in respect of the taxes imposed by Title I, shall insofar as not inconsistent with this title, be applicable in respect of the tax imposed by this title, except that the provisions of section 131 shall not be applicable.

*Ante*, p. 452.

Improper accumulation  
of surplus.  
Surtax on corporations,  
p. 483.

#### SEC. 410. IMPROPER ACCUMULATION OF SURPLUS.

For surtax on corporations which accumulate surplus to avoid surtax on shareholders, see section 102.

Foreign personal  
holding companies.  
Provisions respecting,  
p. 543.

#### SEC. 411. FOREIGN PERSONAL HOLDING COMPANIES.

For provisions relating to foreign personal holding companies and their shareholders, see Supplement P of Title I.

Title II—Estate and  
Gift Taxes.

## TITLE II—ESTATE AND GIFT TAXES

Estate tax returns.

#### SEC. 501. ESTATE TAX RETURNS.

44 Stat. 74.

Section 304 (b) of the Revenue Act of 1926, as amended (relating to the amount of gross estate requiring the filing of a return), is amended by striking out "\$100,000" and inserting in lieu thereof "the amount of the specific exemption provided in section 303 (a) (4)".

Returns of additional  
estate tax.

#### SEC. 502. RETURNS OF ADDITIONAL ESTATE TAX.

47 Stat. 245.

Section 403 of the Revenue Act of 1932, as amended, relating to returns of the additional estate tax, is amended by striking out "\$40,000" and inserting in lieu thereof "the amount of the specific exemption provided in section 401 (c)".

Extensions of time  
for payment.

#### SEC. 503. EXTENSIONS OF TIME FOR PAYMENT OF ESTATE TAX.

44 Stat. 74.  
26 U. S. C. § 422.

Section 305 (b) of the Revenue Act of 1926, as amended, is amended to read as follows:

When undue hardship  
imposed upon  
estate; limitation.

"(b) Where the Commissioner finds that the payment on the due date of any part of the amount determined by the executor as the tax would impose undue hardship upon the estate, the Commissioner may extend the time for payment of any such part not to exceed ten years from the due date. In such case the amount in respect of which the extension is granted shall be paid on or before the date of the expiration of the period of the extension, and the running of the statute of limitations for assessment and collection, as provided in sections 310 (a) and 311 (b), shall be suspended for the period of any such extension. If an extension is granted, the Commissioner

Suspension of running  
of statute of limitations.  
44 Stat. 77.

may, if he deems it necessary, require the executor to furnish security for the payment of the amount in respect of which the extension is granted in accordance with the terms of the extension."

Security.

#### SEC. 504. RATE OF INTEREST ON EXTENSIONS OF TIME FOR PAYMENT OF ESTATE TAX.

Rate of interest on extensions of time for payment.

Section 305 (c) of the Revenue Act of 1926, as amended, is amended by inserting at the end thereof the following new sentence: "In the case of any such extension granted after March 31, 1938, the rate of interest shall be 4 per centum per annum."

44 Stat. 74.  
26 U. S. C. § 490;  
Supp. III, § 490.

#### SEC. 505. COMPUTATION OF NET GIFTS.

Computation of net gifts.

(a) Section 504 (b) of the Revenue Act of 1932, relating to the computation of net gifts, is amended to read as follows:

47 Stat. 247.  
26 U. S. C. § 553 (b).

"(b) GIFTS LESS THAN \$4,000.—In the case of gifts (other than gifts in trust or of future interests in property) made to any person by the donor during the calendar year, the first \$4,000 of such gifts to such person shall not, for the purposes of subsection (a), be included in the total amount of gifts made during such year."

Gifts less than \$4,000.

(b) The amendment made by subsection (a) of this section shall be applied in computing the tax for the calendar year 1939 and each calendar year thereafter (but not the tax for the calendar year 1938 or a previous calendar year), but such amendment shall not be applied in any computations in respect of the calendar year 1938 and previous calendar years for the purpose of computing the tax for the calendar year 1939 or any calendar year thereafter.

Application of subsection in computing tax for 1939 and thereafter; exception.

### TITLE III—CAPITAL STOCK AND EXCESS-PROFITS TAXES

Title III—Capital Stock and Excess-Profits Taxes.

#### SEC. 601. CAPITAL STOCK TAX.

Capital stock tax.

(a) For each year ending June 30, beginning with the year ending June 30, 1938, there is hereby imposed upon every domestic corporation with respect to carrying on or doing business for any part of such year an excise tax of \$1 for each \$1,000 of the adjusted declared value of its capital stock.

Domestic corporations.

(b) For each year ending June 30, beginning with the year ending June 30, 1938, there is hereby imposed upon every foreign corporation with respect to carrying on or doing business in the United States for any part of such year an excise tax equivalent to \$1 for each \$1,000 of the adjusted declared value of capital employed in the transaction of its business in the United States.

Foreign corporations.

(c) The taxes imposed by this section shall not apply—

(1) to any corporation enumerated in section 101 of this Act;

(2) to any insurance company subject to the tax imposed by section 201, 204, or 207 of this Act.

Exemptions.  
*Ante*, p. 480.  
Designated insurance companies.  
*Ante*, pp. 522, 524, 526.

(d) Every corporation liable for tax under this section shall make a return under oath within one month after the close of the year with respect to which such tax is imposed to the collector for the district in which is located its principal place of business or, if it has no principal place of business in the United States, then to the collector at Baltimore, Maryland. Such return shall contain such information and be made in such manner as the Commissioner with the approval of the Secretary may by regulations prescribe. The tax shall, without assessment by the Commissioner or notice from the collector, be due and payable to the collector before the expiration of the period for filing the return. If the tax is not paid when due, there shall be

Returns.

Contents.

Payment of tax.

Interest.

Provisions of law applicable.  
44 Stat. 93.  
26 U. S. C. §§ 1120, 1124.

Time extension for making return.

Publicity of returns.

44 Stat. 51.

Determination of adjusted declared value.

"Declaration year" defined.

Adjusted declared value defined.

Subsequent periods, domestic corporations.

Computation.

*Ante*, p. 495.

*Ante*, p. 464.

Adjustments; computation.

added as part of the tax interest at the rate of 6 per centum per annum from the time when the tax became due until paid. All provisions of law (including penalties) applicable in respect of the taxes imposed by section 600 of the Revenue Act of 1926 shall, insofar as not inconsistent with this section, be applicable in respect of the taxes imposed by this section. The Commissioner may extend the time for making the returns and paying the taxes imposed by this section, under such rules and regulations as he may prescribe with the approval of the Secretary, but no such extension shall be for more than sixty days.

(e) Returns required to be filed for the purpose of the tax imposed by this section shall be open to inspection in the same manner, to the same extent, and subject to the same provisions of law, including penalties, as returns made under Title II of the Revenue Act of 1926.

(f) (1) The adjusted declared value shall be determined with respect to three-year periods beginning with the year ending June 30, 1938, and each third year thereafter. The first year of each such three-year period, or, in case of a corporation not subject for such year to the tax imposed by this section, the first year of such three-year period for which the corporation is subject to the tax, shall constitute a "declaration year".

(2) For each declaration year the adjusted declared value shall be the value, as declared by the corporation in its return for such declaration year (which declaration of value cannot be amended), as of the close of its last income-tax taxable year ending with or prior to the close of such declaration year (or as of the date of organization in the case of a corporation having no income-tax taxable year ending with or prior to the close of such declaration year).

(3) For each year of any three-year period subsequent to the declaration year, the adjusted declared value in the case of a domestic corporation shall be the value declared in the return for the declaration year plus—

(A) the cash, and the fair market value of property, paid in for stock or shares,

(B) paid-in surplus and contributions to capital,

(C) its net income,

(D) its income wholly exempt from Federal income tax, and

(E) the amount, if any, by which the deduction for depletion exceeds the amount which would be allowable if computed without regard to discovery value or to percentage depletion, under section 114 (b) (2), (3), or (4) of this Act or a corresponding section of a later Revenue Act;

and minus—

(i) the cash, and the fair market value of property, distributed to shareholders,

(ii) the amount disallowed as a deduction by section 24

(a) (5) of this Act or a corresponding provision of a later Revenue Act, and

(iii) the excess of the deductions allowable for income tax purposes over its gross income.

(4) The adjustments provided in paragraph (3) shall be made for each income-tax taxable year included in the three-year period from the date as of which the value was declared in the return for the declaration year to the close of the last income-tax taxable year ending with or prior to the close of the year for which the tax is imposed by this section. The amount of such adjustment for each such year shall be computed (on the basis of a separate return) according to the income tax law applicable to such year.

(5) For each year of any three-year period subsequent to the declaration year, the adjusted declared value in the case of a foreign corporation shall be the value declared in the return for the declaration year adjusted (for the same income-tax taxable years as in the case of a domestic corporation), in accordance with regulations prescribed by the Commissioner with the approval of the Secretary, to reflect increases or decreases in the capital employed in the transaction of its business in the United States.

Foreign corporations.

(6) The capital-stock tax year beginning with or within an income-tax taxable year within which bankruptcy or receivership, due to insolvency, of a domestic corporation, is terminated shall constitute a declaration year. In such case the adjusted declared value for any subsequent year of the three-year period shall be determined on the basis of the value declared in the return for such declaration year.

Capital-stock tax year; when considered a declaration year.

Determination of adjusted declared value.

(g) For the purpose of the tax imposed by this section there shall be allowed in the case of a corporation organized under the China Trade Act, 1922, as a credit against the adjusted declared value of its capital stock, an amount equal to the proportion of such adjusted declared value which the par value of the shares of stock of the corporation, owned on the last day of the taxable year by (1) persons resident in China, the United States, or possessions of the United States, and (2) individual citizens of the United States or China wherever resident, bears to the par value of the whole number of shares of stock of the corporation outstanding on such date. For the purposes of this subsection shares of stock of a corporation shall be considered to be owned by the person in whom the equitable right to the income from such shares is in good faith vested; and as used in this subsection the term "China" shall have the same meaning as when used in the China Trade Act, 1922.

Credit allowed in case of China Trade Act corporations.  
42 Stat. 149,  
15 U. S. C., ch. 4.

(h) The capital stock tax imposed by section 105 of the Revenue Act of 1935, as amended, shall not apply to any taxpayer with respect to any year after the year ending June 30, 1937.

49 Stat. 1017.  
26 U. S. C., Supp.  
III, § 1358a.

## SEC. 602. EXCESS-PROFITS TAX.

(a) If any corporation is taxable under section 601 with respect to any year ending June 30, there is hereby imposed upon its net income for the income-tax taxable year ending after the close of such year, an excess-profits tax equal to the sum of the following:

Excess-profits tax.

6 per centum of such portion of its net income for such income-tax taxable year as is in excess of 10 per centum and not in excess of 15 per centum of the adjusted declared value;

Rates.  
*Ante*, p. 565.

12 per centum of such portion of its net income for such income-tax taxable year as is in excess of 15 per centum of the adjusted declared value.

(b) The adjusted declared value shall be determined as provided in section 601 as of the close of the preceding income-tax taxable year (or as of the date of organization if it had no preceding income-tax taxable year). If the income-tax taxable year in respect of which the tax under this section is imposed is a period of less than 12 months, such adjusted declared value shall be reduced to an amount which bears the same ratio thereto as the number of months in the period bears to 12 months. For the purposes of this section the net income shall be the same as the net income for income-tax purposes for the year in respect of which the tax under this section is imposed, computed without the deduction of the tax imposed by this section, but with a credit against net income equal to the credit for dividends received provided in section 26 (b) of this Act.

Determination of adjusted declared value.

*Ante*, p. 467.

Applicability of designated provisions.

*Ante*, p. 452.

Tax imposed by 1935 Act, application. 49 Stat. 1019.

Title IV—Excise Taxes.

Termination of certain.

Certain toilet preparations. 47 Stat. 261.

Furs. 47 Stat. 261.

Phonograph records. 47 Stat. 263.

Sporting goods. 47 Stat. 264.

Cameras. 47 Stat. 264.

Chewing gum. 47 Stat. 264.

Crude petroleum. 48 Stat. 766.

Refining of crude petroleum. 48 Stat. 767.

Brewer's wort, malt syrup, etc. 47 Stat. 259.

Sales of produce for future delivery. 44 Stat. 102.  
26 U. S. C. § 903; Supp. III, § 903.

47 Stat. 275.

Tax on certain oils.

48 Stat. 762.  
26 U. S. C. § 990a; Supp. III, § 990a.  
Whale and other marine-animal, etc., oils.

*Proviso.*  
Provisions governing entry.

(c) All provisions of law (including penalties) applicable in respect of the taxes imposed by Title I of this Act shall, insofar as not inconsistent with this section, be applicable in respect of the tax imposed by this section, except that the provisions of section 131 of that title shall not be applicable.

(d) The excess-profits tax imposed by section 106 of the Revenue Act of 1935, as amended, shall not apply to any taxpayer with respect to any income-tax taxable year ending after June 30, 1938.

## TITLE IV—EXCISE TAXES

### SEC. 701. TERMINATION OF CERTAIN EXCISE TAXES.

(a) **CERTAIN TOILET PREPARATIONS.**—The tax imposed by section 603 of the Revenue Act of 1932 shall not apply to tooth and mouth washes, dentifrices, tooth pastes, or toilet soaps, sold after June 30, 1938.

(b) **FURS.**—The tax imposed by section 604, as amended, of the Revenue Act of 1932 shall not apply to articles sold after June 30, 1938.

(c) **PHONOGRAPH RECORDS.**—The tax imposed by section 607 of the Revenue Act of 1932 upon records for phonographs shall not apply to such records sold after June 30, 1938.

(d) **SPORTING GOODS.**—The tax imposed by section 609 of the Revenue Act of 1932 shall not apply to articles sold after June 30, 1938.

(e) **CAMERAS.**—The tax imposed by section 611 of the Revenue Act of 1932 shall not apply to articles sold after June 30, 1938.

(f) **CHEWING GUM.**—The tax imposed by section 614 of the Revenue Act of 1932 shall not apply to articles sold after June 30, 1938.

(g) **CRUDE PETROLEUM.**—The tax imposed by section 604, as amended, of the Revenue Act of 1934 shall not apply to crude petroleum sold after June 30, 1938.

(h) **REFINING OF CRUDE PETROLEUM.**—The tax imposed by section 605, as amended, of the Revenue Act of 1934 shall not apply to crude petroleum refined or processed, or gasoline produced or recovered, after June 30, 1938.

(i) **BREWER'S WORT, MALT SYRUP, ETC.**—The tax imposed by section 601 (c) (2), as amended, of the Revenue Act of 1932 shall not apply to articles sold or imported after June 30, 1938.

(j) **SALES OF PRODUCE FOR FUTURE DELIVERY.**—The tax imposed by subdivision 4 of Schedule A of Title VIII of the Revenue Act of 1926, as amended, shall not apply to sales, agreements of sale, or agreements to sell made after June 30, 1938. Effective July 1, 1938, section 726 (c) of the Revenue Act of 1932, as amended, is repealed.

### SEC. 702. TAX ON CERTAIN OILS.

(a) Section 601 (c) (8) of the Revenue Act of 1932, as amended, is amended to read as follows:

“(8) (A) Whale oil (except sperm oil), fish oil (except cod oil, cod-liver oil, and halibut-liver oil), marine-animal oil, tallow, inedible animal oils, inedible animal fats, inedible animal greases, fatty acids derived from any of the foregoing, and salts of any of the foregoing; all the foregoing, whether or not refined, sulphonated, sulphated, hydrogenated, or otherwise processed, 3 cents per pound: *Provided*, That no whale oil (except sperm oil), fish oil, or marine animal oil of any kind (whether or not refined, sulphonated, sulphated, hydrogenated or otherwise processed), or fatty acids derived therefrom, shall be admitted

to entry, after June 30, 1939, free from the tax herein provided unless such oil was produced on vessels of the United States or in the United States or its possessions, from whales, fish, or marine animals or parts thereof taken and captured by vessels of the United States;

“(B) Sesame oil provided for in paragraph 1732 of the Tariff Act of 1930, sunflower oil, rapeseed oil, kapok oil, hempseed oil, perilla oil, fatty acids derived from any of the foregoing or from linseed oil, and salts of any of the foregoing; all the foregoing, whether or not refined, sulphonated, sulphated, hydrogenated, or otherwise processed, 4½ cents per pound;

“(C) Any article, merchandise, or combination (except oils specified in section 602½ of the Revenue Act of 1934, as amended), 10 per centum or more of the quantity by weight of which consists of, or is derived directly or indirectly from, one or more of the products specified above in this paragraph or of the oils, fatty acids, or salts specified in section 602½ of the Revenue Act of 1934, as amended, a tax at the rate or rates per pound equal to that proportion of the rate or rates prescribed in this paragraph or such section 602½ in respect of such product or products which the quantity by weight of the imported article, merchandise, or combination, consisting of or derived from such product or products, bears to the total weight of the imported article, merchandise, or combination; but there shall not be taxable under this subparagraph any article, merchandise, or combination (other than an oil, fat, or grease, and other than products resulting from processing seeds without full commercial extraction of the oil content), by reason of the presence therein of an oil, fat, or grease which is a natural component of such article, merchandise, or combination and has never had a separate existence as an oil, fat, or grease;

“(D) Hempseed, 1.24 cents per pound; perilla seed, 1.38 cents per pound; kapok seed, 2 cents per pound; rapeseed, 2 cents per pound; and sesame seed, 1.18 cents per pound;

“(E) The tax on the articles described in this paragraph shall apply only with respect to the importation of such articles after the date of the enactment of the Revenue Act of 1934, and shall not be subject to the provisions of subsection (b) (4) of this section (prohibiting drawback) or section 629 (relating to expiration of taxes).

“(F) The tax imposed under subparagraph (B) shall not apply to rapeseed oil imported to be used in the manufacture of rubber substitutes or lubricating oil, and the Commissioner of Customs shall, with the approval of the Secretary, prescribe methods and regulations to carry out this subparagraph.

“(G) The taxes imposed by this section shall not apply to any article, merchandise, or combination, by reason of the presence therein of any coconut oil produced in Guam or American Samoa, or any direct or indirect derivative of such oil.”

(b) Section 601 (b) (5) of the Revenue Act of 1932, as amended, is amended to read as follows:

“(5) Such tax (except tax under subsection (c) (4) to (7), inclusive, and except as specifically provided in subsection (c) (8) (G) with reference to certain products of Guam and American Samoa) shall be imposed in full notwithstanding any provision of law granting exemption from or reduction of duties to products of any possession of the United States; and for the purposes of taxes under subsection (c) (4) to (7), inclusive, the term ‘United States’ includes Puerto Rico.”

Sesame and other processed oils.  
46 Stat. 680.  
19 U. S. C. § 1201, par. 1732.

Articles containing 10 percent or more of vegetable oils or products.  
48 Stat. 763.  
26 U. S. C. § 999; Supp. III, § 999.

Exempted articles, etc.

Hempseed, etc.

Application of tax.

Rapeseed oil used in rubber substitute manufacture, etc.

Article, etc., containing coconut oil produced in Guam, etc.

47 Stat. 259.

Imposition of tax; exception.

Term “United States” construed.



Effective date.	(c) The amendments made by this section shall be effective July 1, 1938.
Palm oil and palm oil residue.	<b>SEC. 703. EXEMPTION OF PALM OIL AND PALM OIL RESIDUE FROM PROCESSING TAX.</b>
Exemption from processing tax. 48 Stat. 783. 26 U. S. C. § 999; Supp. III, § 999.	Effective July 1, 1938, section 602½ (a), as amended, of the Revenue Act of 1934 (relating to the processing tax on certain oils) is amended by striking out "but does not include the use of palm oil in the manufacture of tin plate" and inserting in lieu thereof "but does not include the use of palm oil in the manufacture of tin plate orterne plate, or any subsequent use of palm oil residue resulting from the manufacture of tin plate orterne plate".
Lumber.	<b>SEC. 704. AMENDMENTS TO TAX ON LUMBER.</b>
No deduction for planing, etc., in board measure. 47 Stat. 260.	(a) Section 601 (c) (6) of the Revenue Act of 1932 is further amended by adding at the end thereof the following: "In determining board measure for the purposes of this paragraph no deduction shall be made on account of planing, tonguing, and grooving. As used in this paragraph, the term 'lumber' includes sawed timber."
"Lumber" to include sawed timber.	(b) Each sentence of the amendment made by subsection (a) shall become effective (1) on the sixtieth day after the date of the enactment of this Act unless in conflict with any international obligation of the United States or (2) if so in conflict, then on the termination of such obligation otherwise than in connection with the undertaking by the United States of a new obligation which continues such conflict.
Exemption of Northern white pine, etc.	(c) Section 601 (c) (6) of the Revenue Act of 1932 is further amended by inserting after the amendment made by subsection (a) of this section the following: "The tax imposed by this paragraph shall not apply to lumber of Northern white pine ( <i>pinus strobus</i> ), Norway pine ( <i>pinus resinosa</i> ), and Western white spruce."
Effective date.	(d) The amendment made by subsection (c) shall be effective July 1, 1938.
Supplies for certain aircraft.	<b>SEC. 705. EXEMPTION FROM EXCISE TAX OF SUPPLIES FOR CERTAIN AIRCRAFT.</b>
Excise tax exemption. Terms defined. 48 Stat. 256.	(a) Section 630 of the Revenue Act of 1932, as amended, is amended by inserting at the end thereof the following: "The term 'vessels' as used in this section includes civil aircraft employed in foreign trade or trade between the United States and any of its possessions, and the term 'vessels of war of the United States or of any foreign nation' includes aircraft owned by the United States or by any foreign nation and constituting a part of the armed forces thereof. The privileges granted under this section in respect of civil aircraft employed in foreign trade or trade between the United States and any of its possessions, in respect of aircraft registered in a foreign country, shall be allowed only if the Secretary of the Treasury has been advised by the Secretary of Commerce that he has found that such foreign country allows, or will allow, substantially reciprocal privileges in respect of aircraft registered in the United States. If the Secretary of the Treasury is advised by the Secretary of Commerce that he has found that a foreign country has discontinued or will discontinue the allowance of such privileges, the privileges granted under this section shall not apply thereafter in respect of civil aircraft registered in that foreign country and employed in foreign trade or trade between the United States and any of its possessions."
Restriction.	
If foreign country discontinues privileges.	
Effective date.	(b) The amendment made by subsection (a) shall be effective July 1, 1938.

**SEC. 706. EXEMPTION FROM TAX ON FILLED CHEESE.**

(a) Section 2 (relating to the definition of filled cheese) of the Act entitled "An Act defining cheese, and also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of 'filled cheese'", approved June 6, 1896, is amended by adding at the end thereof the following: "Substances and compounds, consisting principally of cheese with added edible oils, which are not sold as cheese or as substitutes for cheese but are primarily useful for imparting a natural cheese flavor to other foods shall not be considered 'filled cheese' within the meaning of this Act."

(b) The amendment made by subsection (a) shall be effective July 1, 1938.

Filled cheese.

Tax exemption.

29 Stat. 253.  
26 U. S. C. § 1000.  
Definition modified.

Effective date.

**SEC. 707. TAX ON MATCHES.**

(a) Section 612 of the Revenue Act of 1932, as amended, is amended to read as follows:

Tax on matches.

47 Stat. 264; 48 Stat.  
768.

**"SEC. 612. TAX ON MATCHES.**

"There is hereby imposed on fancy wooden matches and wooden matches having a stained, dyed, or colored stick or stem, packed in boxes or in bulk, sold by the manufacturer, producer, or importer, a tax of 5 cents per one thousand matches."

Rate.

(b) The amendment made by subsection (a) shall be effective with respect to matches sold after June 30, 1938.

Effective date.

**SEC. 708. TAX ON TELEGRAPH, TELEPHONE, RADIO, AND CABLE FACILITIES.**

(a) Section 701 (b) of the Revenue Act of 1932 is amended to read as follows:

"(b) No tax shall be imposed under this section upon any payment received for services or facilities furnished to the United States or to any State or Territory, or political subdivision thereof, or the District of Columbia, nor upon any payment received from any person for services or facilities utilized in the collection of news for the public press or radio broadcasting, or in the dissemination of news through the public press or by means of radio broadcasting, if the charge for such services or facilities is billed in writing to such person. The right to exemption under this subsection shall be evidenced in such manner as the Commissioner with the approval of the Secretary may by regulation prescribe."

Telegraph, tele-  
phone, radio, and  
cable facilities.

47 Stat. 270.

News through press  
or by radio broadcast-  
ing, tax exemption.

(b) The amendment made by subsection (a) of this section shall apply to the utilization after June 30, 1938, of services or facilities.

Effective date.

**SEC. 709. TAX ON TRACTORS.**

(a) Section 606 (a) of the Revenue Act of 1932 is amended to read as follows:

"(a) Automobile truck chassis, automobile truck bodies, tractors of the kind chiefly used for highway transportation in combination with a trailer or semitrailer (including in each of the above cases parts or accessories therefor sold on or in connection therewith or with the sale thereof), 2 per centum. A sale of an automobile truck shall, for the purposes of this subsection, be considered to be a sale of the chassis and of the body."

Tax on tractors.

47 Stat. 261.

Automobile truck  
chassis, etc.

(b) The amendment made by subsection (a) shall be effective with respect to sales made after June 30, 1938.

Effective date.

Distilled spirits.

40 Stat. 1105.  
26 U. S. C. § 1150.

Tax imposed.

Imported perfumes  
containing distilled  
spirits.  
40 Stat. 1106.  
26 U. S. C. § 1150 (4).  
Drawback on ex-  
ported distilled spirits.  
48 Stat. 313.  
26 U. S. C. § 1239a.  
Amendments inap-  
plicable to brandy.

#### SEC. 710. TAX ON DISTILLED SPIRITS.

(a) Section 600 (a) (4) of the Revenue Act of 1918, as amended, is amended to read as follows:

"(4) On and after January 12, 1934, and until July 1, 1938, \$2.00, and on and after July 1, 1938, \$2.25, on each proof gallon or wine gallon when below proof and a proportionate tax at a like rate on all fractional parts of such proof or wine gallon."

(b) Section 600 (c) of such Act, as amended, is amended by striking out "\$2.00 per wine gallon" and inserting in lieu thereof "\$2.25 per wine gallon".

(c) Section 4 of the Liquor Taxing Act of 1934 is amended by striking out "\$2.00" and inserting in lieu thereof "\$2.25".

(d) The amendments made by this section shall not apply to brandy and the rates of tax applicable to such brandy shall be the rates applicable without regard to such amendments.

Stamp taxes.

44 Stat. 101.  
26 U. S. C. § 921 (b).

Exemption upon  
certain deliveries or  
transfers of shares.

From owner to a  
custodian, etc.

From custodian to  
a registered nominee,  
etc.

Condition.

Penalty provision.

47 Stat. 274.

Exemption upon  
certain deliveries or  
transfers of instru-  
ments.

From owner to cus-  
todian, etc.

From custodian to  
a registered nominee,  
etc.

#### SEC. 711. EXEMPTION FROM STAMP TAX ON CERTAIN TRANSFERS OF STOCKS AND BONDS.

(a) Subdivision 3 of Schedule A of Title VIII of the Revenue Act of 1926, as amended, is amended by inserting at the end thereof the following new paragraphs:

"The tax shall not be imposed upon deliveries or transfers of shares or certificates—

"(1) From the owner to a custodian if under a written agreement between the parties the shares or certificates are to be held or disposed of by such custodian for, and subject at all times to the instructions of, the owner; or from such custodian to such owner;

"(2) From such custodian to a registered nominee of such custodian, or from one such nominee to another such nominee, if in either case the shares or certificates continue to be held by such nominee for the same purpose for which they would be held if retained by such custodian; or from such nominee to such custodian.

No exemption shall be granted under this paragraph unless the deliveries or transfers are accompanied by a certificate setting forth such facts as the Commissioner, with the approval of the Secretary, may by regulation prescribe as necessary for the evidencing of the right to such exemption. No delivery or transfer to a nominee shall be exempt under this paragraph unless such nominee, in accordance with regulations prescribed by the Commissioner, with the approval of the Secretary, is registered with the Commissioner.

"Any person who, with intent to evade the tax provided in this subdivision, falsely makes a certificate accompanying any delivery or transfer shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined not more than \$1,000, or imprisoned not more than six months, or both."

(b) Subdivision 9 of Schedule A of Title VIII of the Revenue Act of 1926, as amended, is amended by inserting at the end thereof the following new paragraphs:

"The tax shall not be imposed upon deliveries or transfers of instruments—

"(1) From the owner to a custodian if under a written agreement between the parties the instruments are to be held or disposed of by such custodian for, and subject at all times to the instructions of, the owner; or from such custodian to such owner;

"(2) From such custodian to a registered nominee of such custodian, or from one such nominee to another such nominee, if in either case the instruments continue to be held by such

nominee for the same purpose for which they would be held if retained by such custodian; or from such nominee to such custodian.

No exemption shall be granted under this paragraph unless the deliveries or transfers are accompanied by a certificate setting forth such facts as the Commissioner, with the approval of the Secretary, may by regulation prescribe as necessary for the evidencing of the right to such exemption. No delivery or transfer to a nominee shall be exempt under this paragraph unless such nominee, in accordance with regulations prescribed by the Commissioner, with the approval of the Secretary, is registered with the Commissioner.

"Any person who, with intent to evade the tax provided in this subdivision, falsely makes a certificate accompanying any delivery or transfer shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined not more than \$1,000, or imprisoned not more than six months, or both."

(c) The amendments made by this section shall be effective with respect to transfers or deliveries made after June 30, 1938.

#### SEC. 712. TAX ON ADMISSIONS TO THEATERS.

(a) Section 500 (a) (1) of the Revenue Act of 1926, as amended, is amended by inserting before the period at the end of the second sentence the following: "and except that in the case of tickets or cards of admission to any such spoken play sold at the ticket office of theaters at reduced rates the tax shall be based upon the price for which sold".

(b) The amendment made by subsection (a) shall apply with respect to sales made after June 30, 1938.

#### SEC. 713. EXEMPTION OF CERTAIN COOPERATIVE OR NONPROFIT CORPORATIONS OR ASSOCIATIONS FROM ELECTRICAL ENERGY TAX.

(a) Section 616 (c) of the Revenue Act of 1932, as amended, is further amended by inserting after the word "plants" in the second sentence thereof a comma and the following words: "or to electric and power plants or systems owned and operated by cooperative or nonprofit corporations engaged in rural electrification".

(b) The amendment made by subsection (a) shall apply only to electric energy sold on or after July 1, 1938.

### TITLE V—MISCELLANEOUS PROVISIONS

#### SEC. 801. CLOSING AGREEMENTS AS TO FUTURE TAX LIABILITY.

Section 606 (a) of the Revenue Act of 1928 is amended by striking out the words "ending prior to the date of the agreement".

#### SEC. 802. APPROVAL OF CLOSING AGREEMENTS.

Section 606 (b) of the Revenue Act of 1928 is amended by striking out "is approved by the Secretary, or the Under Secretary", and inserting in lieu thereof the following: "is approved by the Secretary, the Under Secretary, or an Assistant Secretary".

#### SEC. 803. RETURNS AS TO FORMATION, ETC., OF FOREIGN CORPORATIONS.

(a) REQUIREMENT.—Under regulations prescribed by the Commissioner with the approval of the Secretary, any attorney, accountant, fiduciary, bank, trust company, financial institution, or other person, who, after the date of the enactment of this Act, aids, assists, counsels, or advises in, or with respect to, the formation, organiza-

Condition.

Penalty provision.

Effective date.

Tax on admissions to theaters.  
44 Stat. 91.  
26 U. S. C. § 940 (a) (1).  
Tax based on price for which ticket is sold.

Effective date.

Exemption of certain cooperative or nonprofit corporations, etc., from electrical energy tax.  
47 Stat. 266.

Effective date.

Title V—Miscellaneous Provisions.

Future tax liability.

Authority to execute closing agreement as to.  
45 Stat. 874.

Approval of closing agreements.  
45 Stat. 874.

Returns as to formation, etc., of foreign corporations.

Requirement.

Form and contents  
of return.

tion, or reorganization of any foreign corporation, shall, within 30 days thereafter, file with the Commissioner a return.

(b) **FORM AND CONTENTS OF RETURN.**—Such return shall be in such form, and shall set forth, under oath, in respect of each such corporation, to the full extent of the information within the possession or knowledge or under the control of the person required to file the return, such information as the Commissioner with the approval of the Secretary prescribes by regulations as necessary for carrying out the provisions of the income-tax laws. Nothing in this section shall be construed to require the divulging of privileged communications between attorney and client.

Penalty.

(c) **PENALTY.**—Any person required under subsection (a) to file a return, or to supply any information, who willfully fails to file such return, or supply such information, at the time or times required by law or regulations, shall, in lieu of other penalties provided by law for such offense, be guilty of a misdemeanor and, upon conviction thereof, be fined not more than \$2,000, or imprisoned for not more than one year, or both.

Aid, etc., before en-  
actment of Act.  
50 Stat. 818.  
26 U. S. C., Supp.  
III, §§ 329f, 329g.

(d) **AID, ETC., BEFORE ENACTMENT OF ACT.**—The provisions of sections 340 and 341 (insofar as it relates to section 340) of the Revenue Act of 1936, added to such Act by section 201 of the Revenue Act of 1937, shall remain in force only with respect to aiding, assisting, counselling, or advising, on or before the date of the enactment of this Act.

Information returns  
as to foreign corpora-  
tions.  
50 Stat. 823.  
26 U. S. C., Supp.  
III, §§ 329d, 329e,  
329g.

#### SEC. 804. INFORMATION RETURNS AS TO FOREIGN CORPORATIONS.

Sections 338 (a), 339 (a), and 341 (insofar as it relates to sections 338 (a) and 339 (a)) of the Revenue Act of 1936, added to such Act by section 201 of the Revenue Act of 1937, shall remain in force only with respect to months beginning on or before the date of the enactment of this Act.

Interest on unpaid  
assessments.  
R. S. § 3184.  
26 U. S. C. § 1545.

#### SEC. 805. INTEREST ON UNPAID ASSESSMENTS.

(a) Section 3184 of the Revised Statutes is amended by striking out at the end thereof the words "and interest at the rate of 1 per centum a month" and inserting in lieu thereof the following: "and interest at the rate of 6 per centum per annum from the date of such notice to the date of payment".

Application of  
amendment.

(b) The amendment made by subsection (a) shall apply only where notice is served or sent after the date of the enactment of this Act.

Oaths.

#### SEC. 806. ADMINISTRATION OF OATHS OR AFFIRMATIONS.

Administration.

Any oath or affirmation required or authorized by any internal-revenue law or by any regulations made under authority thereof may be administered by any person authorized to administer oaths for general purposes by the law of the United States, or of any State, Territory, or possession of the United States, or of the District of Columbia, wherein such oath or affirmation is administered. This section shall not be construed as an exclusive enumeration of the persons who may administer such oaths or affirmations.

Basis of property ac-  
quired in connection  
with reorganizations.

49 Stat. 1683.  
26 U. S. C., Supp.  
III, § 113 (7).

Transfers to corpo-  
ration.

#### SEC. 807. BASIS OF PROPERTY ACQUIRED IN CONNECTION WITH REORGANIZATIONS.

(a) Section 113 (a) (7) of the Revenue Act of 1936 is amended to read as follows:

"(7) **TRANSFERS TO CORPORATION.**—If the property was acquired—

"(A) after December 31, 1917, and in a taxable year beginning before January 1, 1936, by a corporation in con-

nection with a reorganization, and immediately after the transfer an interest or control in such property of 50 per centum or more remained in the same persons or any of them, or

“(B) in a taxable year beginning after December 31, 1935, by a corporation in connection with a reorganization, then the basis shall be the same as it would be in the hands of the transferor, increased in the amount of gain or decreased in the amount of loss recognized to the transferor upon such transfer under the law applicable to the year in which the transfer was made. This paragraph shall not apply if the property acquired consists of stock or securities in a corporation a party to the reorganization, unless acquired by the issuance of stock or securities of the transferee as the consideration in whole or in part for the transfer.”

(b) The amendment made by subsection (a) shall be applied in the computation of net income for taxable years beginning after December 31, 1935, and before January 1, 1938.

Application of amendment.

#### SEC. 808. BASIS OF PROPERTY ACQUIRED IN CONNECTION WITH LIQUIDATION.

(a) Section 113 (a) (15) of the Revenue Act of 1936 is amended by inserting at the end thereof the following: “If upon the complete liquidation of a corporation within the meaning of section 112 (b) (6) of the Revenue Act of 1934, as amended, in case the first of the series of distributions in liquidation was made after August 29, 1935, and the last of the series of distributions was made before June 23, 1936, if with respect to all the property (other than money) received by a corporation prior to June 23, 1936, and in a taxable year beginning after December 31, 1935, no gain or loss would have been recognized on the receipt of such property under such section 112 (b) (6), the basis of such property in the hands of such corporation shall be the basis prescribed by the Revenue Act of 1934, as amended, if such corporation (within 180 days after the date of the enactment of the Revenue Act of 1938) elects, under regulations prescribed by the Commissioner, to have such basis apply.”

Basis of property acquired in connection with liquidation.

49 Stat. 1684.  
26 U. S. C., Supp. III, § 113 (15).

49 Stat. 1020.  
26 U. S. C., Supp. III, § 112 (b) (6).

#### SEC. 809. OVERPAYMENTS FOUND BY BOARD OF TAX APPEALS.

(a) The last sentence of section 322 (d) of the Revenue Act of 1936 and of the Revenue Act of 1934, are amended to read as follows: “No such credit or refund shall be made of any portion of the tax unless the Board determines as part of its decision that such portion was paid within three years before the filing of the claim or the filing of the petition, whichever is earlier, or that such portion was paid after the mailing of the notice of deficiency; except that where the decision of the Board is rendered before the expiration of thirty days after the date of the enactment of the Revenue Act of 1938, the credit or refund may be made of any portion paid after the mailing of the notice of deficiency.”

Overpayments found by Board.

48 Stat. 751; 49 Stat. 1731.  
26 U. S. C. § 322 (d); Supp. III, § 322 (d).  
Time provisions.

(b) The last sentence of section 528 (d) of the Revenue Act of 1932, as amended, is amended to read as follows: “No such credit or refund shall be made of any portion of the tax unless the Board determines as part of its decision that such portion was paid within three years before the filing of the claim or the filing of the petition, whichever is earlier, or that such portion was paid after the mailing of the notice of deficiency; except that where the decision of the Board is rendered before the expiration of thirty days after the date of the enactment of the Revenue Act of 1938, the credit or

47 Stat. 258.  
26 U. S. C. § 577 (d).

refund may be made of any portion paid after the mailing of the notice of deficiency."

47 Stat. 243; 45 Stat. 861.

(c) The last sentence of section 322 (d), as amended, of the Revenue Act of 1932 and of the Revenue Act of 1928, are amended to read as follows: "No such credit or refund shall be made of any portion of the tax unless the Board determines as part of its decision that such portion was paid within two years before the filing of the claim or the filing of the petition, whichever is earlier, or that such portion was paid after the mailing of the notice of deficiency; except that where the decision of the Board is rendered before the expiration of thirty days after the date of the enactment of the Revenue Act of 1938, the credit or refund may be made of any portion paid after the mailing of the notice of deficiency."

44 Stat. 67.

(d) The last sentence of section 284 (e) of the Revenue Act of 1926, as amended, is amended to read as follows: "Unless the Board determines as part of its decision that the claim for credit or refund, or the petition, was filed within the time prescribed in subdivision (g) for filing claims, no such credit or refund shall be made of any portion of the tax unless the Board determines as part of its decision that it was paid within four years (or, in the case of a tax imposed by this title, within three years) before the filing of the claim or the filing of the petition, whichever is earlier, or that such portion was paid after the mailing of the notice of deficiency; except that where the decision of the Board is rendered before the expiration of thirty days after the date of the enactment of the Revenue Act of 1938, the credit or refund may be made of any portion paid after the mailing of the notice of deficiency."

44 Stat. 84.  
26 U. S. C. § 512.

(e) The last sentence of section 319 (c) of the Revenue Act of 1926, as amended, is amended to read as follows: "No such refund shall be made of any portion of the tax unless the Board determines as part of its decision that such portion was paid within four years (or, in the case of a tax imposed by this title, within three years) before the filing of the claim or the filing of the petition, whichever is earlier, or that such portion was paid after the mailing of the notice of deficiency; except that where the decision of the Board is rendered before the expiration of thirty days after the date of the enactment of the Revenue Act of 1938, the credit or refund may be made of any portion paid after the mailing of the notice of deficiency."

Credits against Social Security Tax for 1936.

Allowance of credit, contributions with respect to employment.

49 Stat. 639.  
42 U. S. C., Supp. III, § 1101.

Use of terms.

Refund.

#### SEC. 810. CREDITS AGAINST SOCIAL SECURITY TAX FOR 1936.

(a) **ALLOWANCE OF CREDIT.**—Against the tax for the calendar year 1936 imposed by section 901 of the Social Security Act, any taxpayer shall be allowed credit for the amount of contributions, with respect to employment during such year, paid by him, before the sixtieth day after the date of the enactment of this Act, into an unemployment fund under a State law. The provisions of the Social Security Act (except the provision limiting such credit to amounts paid before the date of filing returns) shall apply to allowance of credit under this section, and the terms used in this subsection shall have the same meaning as when used in Title IX of the Social Security Act.

(b) **REFUND.**—Refund of the tax (including penalty and interest collected with respect thereto, if any), based on any credit allowable under this section, may be made in accordance with the provisions of law applicable in the case of erroneous or illegal collection of the tax. No interest shall be allowed or paid on the amount of any such refund.

**SEC. 811. TRAVEL ALLOWANCES IN HAWAII.**

Whenever by or under authority of law actual expenses for travel may be allowed to officers and employees of the United States, such allowance, in the case of travel after the date of the enactment of this Act on inter-island steamships in the Territory of Hawaii, shall not exceed the rate for accommodations on such steamships equivalent as nearly as may be to the lowest first-class accommodations on transpacific steamships. The maximum fixed by this section shall be in lieu of the maximum fixed by section 10 of the Treasury and Post Office Appropriation Act for the fiscal year ending June 30, 1934 (47 Stat. 1516).

Travel allowances in Hawaii.

Accommodations on inter-island steamships.

47 Stat. 1516.

**SEC. 812. RETROACTIVE EXCLUSION OF GAIN FROM PURCHASE OF PERSONAL PROPERTY WITHIN THE UNITED STATES AND SALE WITHIN POSSESSION.**

Section 119 (e) of the Revenue Act of 1936, of the Revenue Act of 1934, of the Revenue Act of 1932, and of the Revenue Act of 1928, and section 217 (e) of the Revenue Act of 1926, are amended by striking out of the last sentence "purchase of personal property within the United States and its sale within a possession of the United States or from the". The amendments made by this section to the respective Acts amended shall be effective as to each of such Acts as of the date of enactment of such Act.

Retroactive exclusion of gain from purchase of personal property within United States and sale within possession.

49 Stat. 1695; 48 Stat. 717; 47 Stat. 210; 45 Stat. 828; 44 Stat. 31. 28 U. S. C., Supp. III, § 119 (e).

**SEC. 813. REMISSION OF INTEREST AND PENALTIES ON TAXES IMPOSED BY THE REVENUE ACTS OF 1917 AND 1918 UPON CITIZENS IN A POSSESSION OF THE UNITED STATES AND CERTAIN DOMESTIC CORPORATIONS.**

(a) Income, war-profits, and excess-profits taxes imposed by the Revenue Act of 1917 or the Revenue Act of 1918 for any taxable year shall, in the case of the following taxpayers, be assessed, collected, and paid, without the assessment, collection, or payment of interest incurred prior to July 1, 1939, or of penalties, additional amounts, or additions to tax, incurred prior to the date of the enactment of this Act:

Remission of interest and penalties on designated taxes upon certain taxpayers.

40 Stat. 300, 302, 1058, 1088.

(1) Individuals who were bona fide residents of a possession of the United States for more than six months during such taxable year and who were taxable as citizens of the United States; and

(2) Persons who for such taxable year would have been entitled to the benefits of section 262 of the Revenue Act of 1921 had such section formed a part of the Revenue Act of 1917 or the Revenue Act of 1918.

42 Stat. 271.

(b) If, in the case of taxpayers described in subsection (a), any tax referred to in such subsection is not paid on or before June 30, 1939, then, notwithstanding the provisions of subsection (a) of this section, interest at the rate of 6 per centum per annum shall be collected on such unpaid amount from such date until it is paid.

Interest on unpaid taxes.

(c) No distraint or other proceeding for the collection of such taxes shall be made, begun, or prosecuted prior to July 1, 1939.

Collection proceedings, limitation.

(d) Any interest, penalties, additional amounts, or additions to tax paid within two years preceding the date of the enactment of this Act by any taxpayer described in subsection (a) with respect to income, war-profits, or excess-profits taxes imposed by the Revenue Act of 1917 or the Revenue Act of 1918 for any taxable year, shall be refunded or credited without interest, if claim therefor is filed by such taxpayer prior to July 1, 1939.

Refund or credit of interest, etc., paid.



Waivers in transferee cases under prior Acts.

44 Stat. 61.

Claims against transferred assets; assessment.

45 Stat. 860; 47 Stat. 241; 48 Stat. 749; 49 Stat. 1729.  
26 U. S. C., Supp. III, § 311 (b).

Period of limitation, assessment of liability.

Application of section.

Compromise before suit.

R. S. § 3229.  
26 U. S. C. § 1661.

Extension of time for payment of certain deficiencies.

49 Stat. 1723; 48 Stat. 742; 47 Stat. 235; 45 Stat. 854; 44 Stat. 57; 42 Stat. 266; 47 Stat. 251; 44 Stat. 76.  
26 U. S. C. §§ 272 (j), 471 (i), 512 (i); Supp. III, § 272.

Income from obligations and mortgages issued by joint-stock land banks.

39 Stat. 380.  
12 U. S. C. § 931.

#### SEC. 814. WAIVERS IN TRANSFEE CASES UNDER PRIOR REVENUE ACTS.

(a) Section 280 (b) of the Revenue Act of 1926 is amended by inserting at the end thereof the following new paragraph:

"(4) Where before the expiration of the time prescribed in paragraph (1) or (3) for the assessment of the liability, both the Commissioner and the transferee or fiduciary have consented in writing to its assessment after such time, the liability may be assessed at any time prior to the expiration of the period agreed upon. The period so agreed upon may be extended by subsequent agreements in writing made before the expiration of the period previously agreed upon."

(b) Section 311 (b) of the Revenue Act of 1928, and of the Revenue Act of 1932, and of the Revenue Act of 1934, and of the Revenue Act of 1936, are each amended by inserting at the end thereof the following new paragraph:

"(4) Where before the expiration of the time prescribed in paragraph (1), (2), or (3) for the assessment of the liability, both the Commissioner and the transferee or fiduciary have consented in writing to its assessment after such time, the liability may be assessed at any time prior to the expiration of the period agreed upon. The period so agreed upon may be extended by subsequent agreements in writing made before the expiration of the period previously agreed upon."

(c) The amendments made by this section to the respective Acts amended shall be effective as to each of such Acts as of the date of enactment of such Act.

#### SEC. 815. COMPROMISE BEFORE SUIT.

Section 3229 of the Revised Statutes is amended by striking out "with the advice and consent of the Secretary of the Treasury" and inserting in lieu thereof "with the approval of the Secretary of the Treasury, or of the Under Secretary of the Treasury, or of an Assistant Secretary of the Treasury".

#### SEC. 816. EXTENSION OF TIME FOR PAYMENT OF DEFICIENCIES APPROVED BY COMMISSIONER.

The requirement of section 272 (j) of the Revenue Act of 1936, 1934, 1932, and 1928, section 274 (k) of the Revenue Act of 1926, as amended, section 274 (g) of the Revenue Act of 1924, section 250 (f) of the Revenue Act of 1921, section 513 (i) of the Revenue Act of 1932, and section 308 (i) of the Revenue Act of 1926, of approval by the Secretary of extension of time for payment of deficiency in income, estate, or gift tax shall not apply after thirty days after the date of the enactment of this Act, but the approval shall be by the Commissioner under regulations prescribed by the Commissioner with the approval of the Secretary.

#### SEC. 817. INCOME FROM OBLIGATIONS AND MORTGAGES ISSUED BY JOINT-STOCK LAND BANKS.

Notwithstanding the provisions of section 26 of the Federal Farm Loan Act, as amended, in the case of mortgages made or obligations issued by any joint-stock land bank after the date of the enactment of this Act, all income, except interest, derived therefrom shall be included in gross income and shall not be exempt from Federal income taxation.

**SEC. 818. TAXES OF INSOLVENT BANKS.**

Section 22 of the Act of March 1, 1879 (20 Stat. 351; 12 U. S. C. 570), is amended to read as follows:

"SEC. 22. (a) Whenever and after any bank or trust company, a substantial portion of the business of which consists of receiving deposits and making loans and discounts, has ceased to do business by reason of insolvency or bankruptcy, no tax shall be assessed or collected, or paid into the Treasury of the United States on account of such bank, or trust company, which shall diminish the assets thereof necessary for the full payment of all its depositors; and such tax shall be abated from such national banks as are found by the Comptroller of the Currency to be insolvent; and the Commissioner of Internal Revenue, when the facts shall appear to him, is authorized to remit so much of the said tax against any such insolvent banks and trust companies organized under State law as shall be found to affect the claims of their depositors.

"(b) Whenever any bank or trust company, a substantial portion of the business of which consists of receiving deposits and making loans and discounts, has been released or discharged from its liability to its depositors for any part of their claims against it, and such depositors have accepted, in lieu thereof, a lien upon subsequent earnings of such bank or trust company, or claims against assets segregated by such bank or trust company or against assets transferred from it to an individual or corporate trustee or agent, no tax shall be assessed or collected, or paid into the Treasury of the United States on account of such bank, or trust company, such individual or corporate trustee or such agent, which shall diminish the assets thereof which are available for the payment of such depositor claims and which are necessary for the full payment thereof.

"(c) Any such tax so collected shall be deemed to be erroneously collected, and shall be refunded subject to all provisions and limitations of law, so far as applicable, relating to the refunding of taxes, but tax so abated or refunded after the date of the enactment of the Revenue Act of 1938 shall be reassessed whenever it shall appear that payment of the tax will not diminish the assets as aforesaid. The running of the statute of limitations on the making of assessment and collection shall be suspended during, and for ninety days beyond, the period for which, pursuant to this section, assessment or collection may not be made, and a tax which has been abated may be reassessed and collected during the time within which, had there been no abatement, collection might have been made.

"(d) This section shall not apply to any tax imposed by the Social Security Act."

**SEC. 819. ABATEMENT OF JEOPARDY ASSESSMENT.**

(a) Section 273 (c) of the Revenue Act of 1936, the Revenue Act of 1934, the Revenue Act of 1932, and the Revenue Act of 1928, are amended to read as follows:

"(c) AMOUNT ASSESSABLE BEFORE DECISION OF BOARD.—The jeopardy assessment may be made in respect of a deficiency greater or less than that notice of which has been mailed to the taxpayer, despite the provisions of section 272 (f) prohibiting the determination of additional deficiencies, and whether or not the taxpayer has theretofore filed a petition with the Board of Tax Appeals. The Commissioner may, at any time before the decision of the Board is rendered, abate such assessment, or any unpaid portion thereof, to the extent that he believes the assessment to be excessive in amount. The Commissioner shall notify the Board of the amount of such assessment, or abatement, if the petition is filed with the Board before

Insolvent banks.

20 Stat. 351.  
12 U. S. C. § 570.

Abatement of taxes if collection would diminish assets for payment of depositors.

National banks.

Banks, etc., under State law.

Banks released from liability to depositors.

Refund of erroneous collections.

Reassessment of tax if assets not diminished.

Social Security Act taxes.

49 Stat. 620; 42 U. S. C., Supp. III, ch. 7.

Abatement of jeopardy assessment.

49 Stat. 1724; 48 Stat. 743; 47 Stat. 235;

45 Stat. 855.

26 U. S. C. § 273 (c); Supp. III, § 273.

Amount assessable before decision of Board.

49 Stat. 1724.  
26 U. S. C. § 272 (f); Supp. III, § 272.

Abatement.

Notice of amount to Board.

the making of the assessment or is subsequently filed, and the Board shall have jurisdiction to redetermine the entire amount of the deficiency and of all amounts assessed at the same time in connection therewith."

44 Stat. 59.

(b) Section 279 (c) of the Revenue Act of 1926 is amended to read as follows:

Jeopardy assessment, taxpayer.

"(c) The jeopardy assessment may be made in respect of a deficiency greater or less than that notice of which has been mailed to the taxpayer, despite the provisions of subdivision (f) of section 274 and whether or not the taxpayer has theretofore filed a petition with the Board of Tax Appeals. The Commissioner may, at any time before the decision of the Board is rendered, abate such assessment, or any unpaid portion thereof, to the extent that he believes the assessment to be excessive in amount. The Commissioner shall notify the Board of the amount of such assessment, or abatement, if the petition is filed with the Board before the making of the assessment or is subsequently filed, and the Board shall have jurisdiction to redetermine the entire amount of the deficiency and of all amounts assessed at the same time in connection therewith."

47 Stat. 252.

26 U. S. C. § 563 (c).

(c) Section 514 (c) of the Revenue Act of 1932 is amended to read as follows:

Amount assessable before decision of Board.

"(c) AMOUNT ASSESSABLE BEFORE DECISION OF BOARD.—The jeopardy assessment may be made in respect of a deficiency greater or less than that notice of which has been mailed to the donor, despite the provisions of section 513 (f) prohibiting the determination of additional deficiencies, and whether or not the donor has theretofore filed a petition with the Board of Tax Appeals. The Commissioner may, at any time before the decision of the Board is rendered, abate such assessment, or any unpaid portion thereof, to the extent that he believes the assessment to be excessive in amount. The Commissioner shall notify the Board of the amount of such assessment, or abatement, if the petition is filed with the Board before the making of the assessment or is subsequently filed, and the Board shall have jurisdiction to redetermine the entire amount of the deficiency and of all amounts assessed at the same time in connection therewith."

47 Stat. 251.

44 Stat. 77.

26 U. S. C. § 472 (c).

(d) Section 312 (c) of the Revenue Act of 1926 is amended to read as follows:

Jeopardy assessment, executor.

"(c) The jeopardy assessment may be made in respect of a deficiency greater or less than that notice of which has been mailed to the executor, despite the provisions of subdivision (f) of section 308 and whether or not the executor has theretofore filed a petition with the Board of Tax Appeals. The Commissioner may, at any time before the decision of the Board is rendered, abate such assessment, or any unpaid portion thereof, to the extent that he believes the assessment to be excessive in amount. The Commissioner shall notify the Board of the amount of such assessment, or abatement, if the petition is filed with the Board before the making of the assessment or is subsequently filed, and the Board shall have jurisdiction to redetermine the entire amount of the deficiency and of all amounts assessed at the same time in connection therewith."

44 Stat. 75.

49 Stat. 1724; 48 Stat. 743; 47 Stat. 236; 45 Stat. 855; 44 Stat. 60; 47 Stat. 252; 44 Stat. 78.  
26 U. S. C. §§ 273 (f), 472 (f), 563 (f); Supp. III, § 273.

Reduction of bond if any portion of assessment abated.

(e) Section 273 (f) of the Revenue Act of 1936, the Revenue Act of 1934, the Revenue Act of 1932, and the Revenue Act of 1928, and section 279 (f) of the Revenue Act of 1926, section 514 (f) of the Revenue Act of 1932, and section 312 (f) of the Revenue Act of 1926, are amended by inserting at the end thereof the following new sentence: "If any portion of the jeopardy assessment is abated by the Commissioner before the decision of the Board is rendered, the bond shall, at the request of the taxpayer, be proportionately reduced."

(f) The amendments made by this section shall be effective only with respect to jeopardy assessments made after the date of the enactment of this Act.

**SEC. 820. MITIGATION OF EFFECT OF LIMITATION AND OTHER PROVISIONS IN INCOME TAX CASES.**

(a) **DEFINITIONS.**—For the purpose of this section—

(1) **DETERMINATION.**—The term “determination under the income tax laws” means—

(A) A closing agreement made under section 606 of the Revenue Act of 1928, as amended;

(B) A decision by the Board of Tax Appeals or a judgment, decree, or other order by any court of competent jurisdiction, which has become final; or

(C) A final disposition by the Commissioner of a claim for refund. For the purposes of this section a claim for refund shall be deemed finally disposed of by the Commissioner—

(i) as to items with respect to which the claim was allowed, upon the date of allowance of refund or credit or upon the date of mailing notice of disallowance (by reason of offsetting items) of the claim for refund, and

(ii) as to items with respect to which the claim was disallowed, in whole or in part, or as to items applied by the Commissioner in reduction of the refund or credit, upon expiration of the time for instituting suit with respect thereto (unless suit is instituted prior to the expiration of such time).

Such term shall not include any such agreement made, or decision, judgment, decree, or order which has become final, or claim for refund finally disposed of, prior to ninety days after the date of the enactment of this Act.

(2) **TAXPAYER.**—Notwithstanding the provisions of section 901, the term “taxpayer” means any person subject to a tax under the applicable Revenue Act.

(3) **RELATED TAXPAYER.**—The term “related taxpayer” means a taxpayer who, with the taxpayer with respect to whom a determination specified in subsection (b) (1), (2), (3), or (4) is made, stood, in the taxable year with respect to which the erroneous inclusion, exclusion, omission, allowance, or disallowance therein referred to was made, in one of the following relationships: (A) husband and wife; (B) grantor and fiduciary; (C) grantor and beneficiary; (D) fiduciary and beneficiary, legatee, or heir; (E) decedent and decedent's estate; or (F) partner.

(b) **CIRCUMSTANCES OF ADJUSTMENT.**—When a determination under the income tax laws—

(1) Requires the inclusion in gross income of an item which was erroneously included in the gross income of the taxpayer for another taxable year or in the gross income of a related taxpayer; or

(2) Allows a deduction or credit which was erroneously allowed to the taxpayer for another taxable year or to a related taxpayer; or

(3) Requires the exclusion from gross income of an item with respect to which tax was paid and which was erroneously excluded or omitted from the gross income of the taxpayer for another taxable year or from the gross income of a related taxpayer; or

(4) Allows or disallows any of the additional deductions allowable in computing the net income of estates or trusts, or requires

Application.

Mitigation of effect of limitation and other provisions in income tax cases.

Definitions.  
“Determination under the income tax laws.”  
45 Stat. 874.

“Taxpayer.”  
Post, p. 583.

“Related taxpayer.”

Circumstances of adjustment.

*Ante*, p. 517.

or denies any of the inclusions in the computation of net income of beneficiaries, heirs, or legatees, specified in section 162 (b) and (c) of this Act, and corresponding sections of prior revenue Acts, and the correlative inclusion or deduction, as the case may be, has been erroneously excluded, omitted, or included, or disallowed, omitted, or allowed, as the case may be, in respect of the related taxpayer; or

(5) Determines the basis of property for depletion, exhaustion, wear and tear, or obsolescence, or for gain or loss on a sale or exchange, and in respect of any transaction upon which such basis depends there was an erroneous inclusion in or omission from the gross income of, or an erroneous recognition or nonrecognition of gain or loss to, the taxpayer or any person who acquired title to such property in such transaction and from whom mediately or immediately the taxpayer derived title subsequent to such transaction—

and, on the date the determination becomes final, correction of the effect of the error is prevented by the operation (whether before, on, or after the date of enactment of this Act) of any provision of the internal-revenue laws other than this section and other than section 3229 of the Revised Statutes, as amended (relating to compromises), then the effect of the error shall be corrected by an adjustment made under this section. Such adjustment shall be made only if there is adopted in the determination a position maintained by the Commissioner (in case the amount of the adjustment would be refunded or credited in the same manner as an overpayment under subsection (c)) or by the taxpayer with respect to whom the determination is made (in case the amount of the adjustment would be assessed and collected in the same manner as a deficiency under subsection (c)), which position is inconsistent with the erroneous inclusion, exclusion, omission, allowance, disallowance, recognition, or nonrecognition, as the case may be. In case the amount of the adjustment would be assessed and collected in the same manner as a deficiency, the adjustment shall not be made with respect to a related taxpayer unless he stands in such relationship to the taxpayer at the time the latter first maintains the inconsistent position in a return, claim for refund, or petition (or amended petition) to the Board of Tax Appeals for the taxable year with respect to which the determination is made, or if such position is not so maintained, then at the time of the determination.

Method of adjustment.

(c) **METHOD OF ADJUSTMENT.**—The adjustment authorized in subsection (b) shall be made by assessing and collecting, or refunding or crediting, the amount thereof, to be ascertained as provided in subsection (d), in the same manner as if it were a deficiency determined by the Commissioner with respect to the taxpayer as to whom the error was made or an overpayment claimed by such taxpayer, as the case may be, for the taxable year with respect to which the error was made, and as if on the date of the determination specified in subsection (b) one year remained before the expiration of the periods of limitation upon assessment or filing claim for refund for such taxable year.

Ascertainment of amount of adjustment.

(d) **ASCERTAINMENT OF AMOUNT OF ADJUSTMENT.**—In computing the amount of an adjustment under this section there shall first be ascertained the tax previously determined for the taxable year with respect to which the error was made. The amount of the tax previously determined shall be (1) the tax shown by the taxpayer, with respect to whom the error was made, upon his return for such taxable year, increased by the amounts previously assessed (or collected without assessment) as deficiencies, and decreased by the amounts previously abated, credited, refunded, or otherwise repaid in respect of

R. S. § 3229.  
26 U. S. C. § 1661.  
*Ante*, p. 578.

such tax; or (2) if no amount was shown as the tax by such taxpayer upon his return, or if no return was made by such taxpayer, then the amounts previously assessed (or collected without assessment) as deficiencies, but such amounts previously assessed, or collected without assessment, shall be decreased by the amounts previously abated, credited, refunded, or otherwise repaid in respect of such tax. There shall then be ascertained the increase or decrease in the tax previously determined which results solely from the correct exclusion, inclusion, allowance, disallowance, recognition, or nonrecognition, of the item, inclusion, deduction, credit, gain, or loss, which was the subject of the error. The amount so ascertained (together with any amounts wrongfully collected, as additions to the tax or interest, as a result of such error) shall be the amount of the adjustment under this section.

(e) **ADJUSTMENT UNAFFECTED BY OTHER ITEMS, ETC.**—The amount to be assessed and collected in the same manner as a deficiency, or to be refunded or credited in the same manner as an overpayment, under this section, shall not be diminished by any credit or set-off based upon any item, inclusion, deduction, credit, exemption, gain, or loss other than the one which was the subject of the error. Such amount, if paid, shall not be recovered by a claim or suit for refund or suit for erroneous refund based upon any item, inclusion, deduction, credit, exemption, gain, or loss other than the one which was the subject of the error.

Adjustment unaffected by other items, etc.

(f) **NO ADJUSTMENT FOR YEARS PRIOR TO 1932.**—No adjustment shall be made under this section in respect of any taxable year beginning prior to January 1, 1932.

No adjustment for years prior to 1932.

**SEC. 821. INTEREST ACCRUING AFTER OCTOBER 24, 1933, AND BEFORE AUGUST 30, 1935, ON DELINQUENT INCOME, ESTATE, AND GIFT TAXES.**

Delinquent income, estate, and gift taxes.

Interest accruing after October 24, 1933, and prior to August 30, 1935, on delinquent income, estate, and gift taxes shall be computed at the rate of 6 per centum per annum. Any such interest accruing during such period which has been collected prior to the date of the enactment of this Act in excess of such rate shall be credited or refunded to the taxpayer, if claim therefor is filed within six months after the date of the enactment of this Act. No interest shall be allowed or paid on any such credit or refund.

Interest accruing after October 24, 1933, and prior to August 30, 1935.

**TITLE VI—GENERAL PROVISIONS**

Title VI—General Provisions.

**SEC. 901. DEFINITIONS.**

Definitions.

(a) When used in this Act—

(1) The term “person” means an individual, a trust or estate, a partnership, or a corporation.

“Person.”

(2) The term “corporation” includes associations, joint-stock companies, and insurance companies.

“Corporation.”

(3) The term “partnership” includes a syndicate, group, pool, joint venture, or other unincorporated organization, through or by means of which any business, financial operation, or venture is carried on, and which is not, within the meaning of this Act, a trust or estate or a corporation; and the term “partner” includes a member in such a syndicate, group, pool, joint venture, or organization.

“Partnership.”

(4) The term “domestic” when applied to a corporation or partnership means created or organized in the United States or under the law of the United States or of any State or Territory.

“Domestic.”

- "Foreign." (5) The term "foreign" when applied to a corporation or partnership means a corporation or partnership which is not domestic.
- "Fiduciary." (6) The term "fiduciary" means a guardian, trustee, executor, administrator, receiver, conservator, or any person acting in any fiduciary capacity for any person.
- "Withholding agent." (7) The term "withholding agent" means any person required to deduct and withhold any tax under the provisions of section 143 or 144.  
*Ante*, pp. 511, 513.
- "Stock." (8) The term "stock" includes the share in an association, joint-stock company, or insurance company.
- "Shareholder." (9) The term "shareholder" includes a member in an association, joint-stock company, or insurance company.
- "United States." (10) The term "United States" when used in a geographical sense includes only the States, the Territories of Alaska and Hawaii, and the District of Columbia.
- "Secretary." (11) The term "Secretary" means the Secretary of the Treasury.
- "Commissioner." (12) The term "Commissioner" means the Commissioner of Internal Revenue.
- "Collector." (13) The term "collector" means collector of internal revenue.
- "Taxpayer." (14) The term "taxpayer" means any person subject to a tax imposed by this Act.
- "Includes" and "including." (b) The terms "includes" and "including" when used in a definition contained in this Act shall not be deemed to exclude other things otherwise within the meaning of the term defined.

#### SEC. 902. SEPARABILITY CLAUSE.

Separability clause. If any provision of this Act, or the application thereof to any person or circumstances, is held invalid, the remainder of the Act, and the application of such provisions to other persons or circumstances, shall not be affected thereby.

#### SEC. 903. EFFECTIVE DATE OF ACT.

Effective date. Except as otherwise provided, this Act shall take effect upon its enactment.

[Received by the President, May 16, 1938.]

[NOTE BY THE DEPARTMENT OF STATE.—The foregoing act having been presented to the President of the United States for his approval, and not having been returned by him to the House of Congress in which it originated within the time prescribed by the Constitution of the United States, has become a law without his approval.]

#### [CHAPTER 290]

#### AN ACT

May 31, 1938  
[S. 3691]  
[Public, No. 555]

To provide for the appointment of additional judges for certain United States district courts, circuit courts of appeals, and certain courts of the United States for the District of Columbia.

United States courts.  
Appointment of additional judges, authorized.

U. S. Court of Appeals for District of Columbia, additional associate justice.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the President is authorized to appoint, by and with the advice and consent of the Senate, four additional circuit judges, one for each of the following judicial circuits: Second, fifth, sixth, and seventh.

SEC. 2. The President is authorized to appoint, by and with the advice and consent of the Senate, one additional associate justice of the United States Court of Appeals for the District of Columbia.

SEC. 3. Section 2 of the Act entitled "An Act authorizing the appointment of an additional circuit judge for the third circuit", approved June 24, 1936 (49 Stat. 1903), is hereby repealed.

SEC. 4. The President is authorized to appoint, by and with the advice and consent of the Senate, twelve additional district judges, as follows:

(a) One district judge for each of the following districts: Western district of Louisiana, southern district of Texas, eastern district of Michigan, western district of Washington, northern district of Illinois, western district of Virginia;

(b) One district judge for the southern district of California, whose official residence shall be Fresno;

(c) One district judge for the northern district of California, whose official residence shall be Sacramento;

(d) One district judge for the southern district of New York: *Provided*, That the first vacancy occurring in the office of district judge for the southern district of New York by the retirement, disqualification, resignation, or death of judges in office on the date of enactment of this Act shall not be filled;

(e) One district judge for the district of Massachusetts: *Provided*, That the first vacancy occurring in the office of district judge for the district of Massachusetts by the retirement, disqualification, resignation, or death of judges in office on the date of enactment of this Act shall not be filled;

(f) One district judge for each of the following combinations of districts: Eastern and western districts of Arkansas, eastern and middle districts of Tennessee: *Provided*, That no successor shall be appointed to be judge for the eastern and middle districts of Tennessee.

SEC. 5. The President is authorized to appoint, by and with the advice and consent of the Senate, three additional associate justices of the District Court of the United States for the District of Columbia.

SEC. 6. That any vacancy which may occur at any time in the office of United States district judge for the district of Montana created by the Act of September 14, 1922 (42 Stat. 837), is hereby authorized to be filled.

Approved, May 31, 1938.

Third circuit, filling of vacancy.  
49 Stat. 1903.  
28 U. S. C., Supp. III, § 213d-1.  
Additional district judges.

One for each of districts designated.

California southern; residence at Fresno.

California northern; residence at Sacramento.

New York southern.

*Proviso.*  
First vacancy occurring not to be filled.

Massachusetts.  
*Proviso.*  
First vacancy occurring not to be filled.

Designated combinations of districts.

*Proviso.*  
No successor, Tennessee eastern and middle districts.

U. S. District Court for District of Columbia, additional associate justices.

Montana, filling of vacancy.

42 Stat. 837.  
28 U. S. C. § 3.

# [CHAPTER 291]

## AN ACT

To extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Randolph, Missouri.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the times for commencing and completing the construction of the bridge across the Missouri River at or near Randolph, Missouri, authorized to be built by The Kansas City Southern Railway Company, its successors and assigns, by an Act of Congress approved May 24, 1928, heretofore extended by Acts of Congress approved March 1, 1929, May 14, 1930, February 6, 1931, May 6, 1932, January 19, 1933, April 9, 1934, and April 10, 1936, are hereby further extended two and four years, respectively, from May 24, 1938.

SEC. 2. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, May 31, 1938.

May 31, 1938  
[S. 3532]

[Public, No. 556]

Missouri River.  
Time extended for bridging, at Randolph, Mo.

45 Stat. 729, 1431; 46 Stat. 328, 1063; 47 Stat. 149, 772; 48 Stat. 572; 49 Stat. 1196.

Amendment.



## [CHAPTER 292]

## AN ACT

To amend the Agricultural Adjustment Act of 1938.

May 31, 1938  
[S. 3949]

[Public, No. 557]

Agricultural Adjust-  
ment Act of 1938,  
amendments.  
*Ante*, p. 203.  
Cotton acreage allot-  
ments for 1938.  
Apportionment of  
unplanted acreage to  
farms receiving inade-  
quate allotments.

Preference to farms  
in same county.

*Proviso.*  
Transfer of 1938  
allotment not to affect  
any subsequent year.

Flue-cured tobacco,  
increased allotments.  
*Ante*, p. 202.

Fire-cured and dark  
air-cured and burley  
tobacco, increase in  
1938 quota.  
*Ante*, p. 48.

Apportionment to  
farms in States re-  
ceiving inadequate  
allotments.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That subsection (h) of section 344 of the Agricultural Adjustment Act of 1938, as amended, is amended by inserting, immediately after "Secretary" and before the colon, the following: "and for the crop year 1938 any part of the acreage allotted to individual farms in the State which it is determined, in accordance with regulations prescribed by the Secretary, will not be planted to cotton in the year for which the allotment is made, shall be deducted from the allotments to such farms and may be apportioned, in amounts determined by the Secretary to be fair and reasonable, preference being given to farms in the same county receiving allotments which the Secretary determines are inadequate and not representative in view of the past production of cotton and the acreage diverted from the production of cotton on such farms under the agricultural conservation program in the immediately preceding year: *Provided*, That any such transfer of allotment for 1938 shall not affect apportionment for any subsequent year."

SEC. 2. (a) Section 313 (e) of the Agricultural Adjustment Act of 1938, as amended, is amended by striking out "2 per centum" and inserting in lieu thereof "4 per centum".

(b) Section 313 of such Act, as amended, is amended by adding at the end thereof the following:

"(f) In the case of fire-cured and dark air-cured and burley tobacco, the national quota for 1938 is increased by a number of pounds required to provide for each State in addition to the State poundage allotment a poundage not in excess of 2 per centum of the allotment which shall be apportioned in amounts which the Secretary determines to be fair and reasonable to farms in the State receiving allotments under this section which the Secretary determines are inadequate in view of past production of tobacco.

Approved, May 31, 1938.

## [CHAPTER 293]

## AN ACT

To amend section 40 of the United States Employees' Compensation Act, as amended.

May 31, 1938  
[H. R. 4650]

[Public, No. 558]

U. S. Employees'  
Compensation Act,  
amendment.  
39 Stat. 750.  
5 U. S. C. § 790.

Construction of  
terms used.

"Physician."

"Medical, surgical,  
and hospital services  
and supplies."

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the fifth paragraph of section 40 of the Act entitled "An Act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes", approved September 7, 1916, as amended (U. S. C., 1934 ed., title 5, sec. 790), is further amended to read as follows:

"The term 'physician' includes surgeons and osteopathic practitioners within the scope of their practice as defined by State law.

"The term 'medical, surgical, and hospital services and supplies' includes services and supplies by osteopathic practitioners and hospitals within the scope of their practice as defined by State law."

Approved, May 31, 1938.

## [CHAPTER 294]

## AN ACT

To protect the telescope and scientific observations to be carried on at the observatory site on Palomar Mountain, by withdrawal of certain public land included within the Cleveland National Forest, California, from location and entry under the mining laws.

May 31, 1938  
[H. R. 7534]  
[Public, No. 559]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the public lands of the United States within the Cleveland National Forest, State of California, and herein described, are hereby withdrawn from location or entry under the mining laws of the United States:*

Cleveland National Forest, Calif.  
Withdrawal of lands from location or entry under mining laws.

All Government lands in sections 13, 14, 15, 20 to 36, inclusive, township 9 south, range 1 east, San Bernardino meridian;

Description.

All Government lands in sections 1, 2, 3, 4, 5, 6, 8, 9, 10, 11, 12, township 10 south, range 1 east, San Bernardino meridian;

All Government lands in sections 19, 30, 31, township 9 south, range 2 east, San Bernardino meridian; and

All Government lands in section 6, township 10 south, range 2 east, San Bernardino meridian:

*Provided, That this Act shall not defeat or affect any lawful right which has already attached under the mining laws and which is hereafter maintained in accordance with such laws: Provided further, That the President, upon recommendation of the Secretary of the Interior, may, by Executive order, when in his judgment the public interest would best be served thereby, and after reasonable notice has been given, restore to location and entry under the mining laws any of the lands hereby withdrawn therefrom.*

Proviso.  
Protection of existing rights.

Restoration to location and entry.

Approved, May 31, 1938.

## [CHAPTER 295]

## AN ACT

To amend the laws of Alaska imposing taxes for carrying on business and trade.

May 31, 1938  
[H. R. 7553]  
[Public, No. 560]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the paragraph of section 460, chapter 44, title II, of the Act approved March 3, 1899, entitled "An Act to define and punish crimes in the District of Alaska and to provide a Code of Criminal Procedure for said District" (30 Stat. 1336), as amended by the Act approved June 6, 1900, entitled "An Act making further provisions for a civil government for Alaska, and for other purposes" (31 Stat. 330), which reads as follows:*

Alaska.  
Taxes for carrying on business and trade.

30 Stat. 1336; 31 Stat. 331.

*"Electric-light plants, furnishing light or power for sale, three hundred dollars per annum."*  
is hereby amended to read as follows:

Electric-light plants.

*"Electric-light plants furnishing light and power for sale: Doing a business of \$100,000 per annum, \$500 per annum; doing a business of \$75,000 per annum, \$375 per annum; doing a business of \$50,000 per annum, \$250 per annum; doing a business of \$25,000 per annum, \$125 per annum; doing a business of \$10,000 per annum, \$50 per annum; doing a business of under \$10,000 per annum, \$25 per annum; doing a business of under \$4,000 per annum, \$10 per annum: Provided, That plants operated by municipal corporations, by cooperative societies, or eleemosynary institutions shall be required to pay only \$10 per annum irrespective of the amount of business done."*

Schedule of rates.

Proviso.  
Plants operated by municipalities, etc.

Approved, May 31, 1938.

## [CHAPTER 296]

## AN ACT

May 31, 1938  
[H. R. 7711]  
[Public, No. 561]

To amend the Act approved June 19, 1934, entitled the "Communications Act of 1934."

Communications  
Act of 1934, amend-  
ment.  
48 Stat. 1070.  
47 U. S. C. § 201.  
Common carriers.  
Furnishing reports  
of positions of ships at  
sea to newspapers.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 201 (b) of the Act of June 19, 1934, entitled the "Communications Act of 1934" is hereby amended by inserting at the end thereof the following: "*Provided further*, That nothing in this Act or in any other provision of law shall prevent a common carrier subject to this Act from furnishing reports of positions of ships at sea to newspapers of general circulation, either at a nominal charge or without charge, provided the name of such common carrier is displayed along with such ship position reports. The Commission may prescribe such rules and regulations as may be necessary in the public interest to carry out the provisions of this Act."

Approved, May 31, 1938.

## [CHAPTER 297]

## AN ACT

May 31, 1938  
[H. R. 7778]  
[Public, No. 562]

To amend section 26, title I, chapter 1, of the Act entitled "An Act making further provision for a civil government for Alaska, and for other purposes", approved June 6, 1900.

Alaska civil govern-  
ment.

31 Stat. 329.  
48 U. S. C. § 381.  
Mining laws.

*Provisos.*  
Gold, etc., explora-  
tions, land and shoal  
water on shores, etc.

Miners' regulations.

Not to conflict with  
Federal laws.

Restriction.

Right of citizens to  
dredge, etc.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 26, title I, chapter 1, of the Act entitled "An Act making further provision for a civil government for Alaska, and for other purposes", approved June 6, 1900 (31 Stat. 321), is amended to read as follows: "SEC. 26. The laws of the United States relating to mining claims, mineral locations, and rights incident thereto are hereby extended to the Territory of Alaska: *Provided*, That, subject only to the laws enacted by Congress for the protection and preservation of the navigable waters of the United States, all land and shoal water between low and mean high tide on the shores, bays, and inlets of Alaska, within the jurisdiction of the United States, shall be subject to exploration and mining for gold and other precious metals by citizens of the United States, or persons who have legally declared their intentions to become such, under such reasonable rules and regulations as the miners in organized mining districts may have heretofore made or may hereafter make governing the temporary possession thereof for exploration and mining purposes until otherwise provided by law: *Provided further*, That the rules and regulations established by the miners shall not be in conflict with the mining laws of the United States; and no exclusive permit shall be granted by the Secretary of the Interior authorizing any person or persons, corporation or company, to excavate or mine under any of said waters below low tide, and if such exclusive permit has been granted it is hereby revoked and declared null and void; but citizens of the United States or persons who have legally declared their intention to become such shall have the right to dredge and mine for gold or other precious metals in said waters, below low tide, subject to such general rules and regulations as the Secretary of the Interior may prescribe for the preservation of order; such rules and regulations shall not, however, deprive miners on the beach of the right hereby given to dump tailings into or pump from the sea opposite their claims, except where such dumping would actually obstruct naviga-

tion, and the reservation of a roadway sixty feet wide under the tenth section of the Act of May 14, 1898, entitled 'An Act extending the homestead laws and providing for right of way for railroads in the District of Alaska, and for other purposes', shall not apply to mineral lands or town sites."

Approved, May 31, 1938.

## [CHAPTER 298]

## AN ACT

To authorize public-utility districts in the Territory of Alaska to incur bonded indebtedness, and for other purposes.

Reservation of roadway.  
30 Stat. 413.

May 31, 1938  
[H. R. 7827]  
[Public, No. 563]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That public-utility districts in the Territory of Alaska, organized under the laws of said Territory, are hereby authorized to construct, improve, extend, better, repair, reconstruct, acquire, and operate any and all types of public utilities and improvements under and in accordance with and to the full extent provided by the laws of said Territory relating to public-utility districts in said Territory, and to incur bonded indebtedness and to issue negotiable bonds for any or all of said purposes: *Provided, however,* That no public utility district shall incur bonded indebtedness or issue its negotiable bonds under this Act to an amount which shall exceed 10 per centum of the aggregate value of the real and personal property within such public-utility district subject to taxation by such district.

Alaska.  
Public-utility districts authorized to incur bonded indebtedness for construction, operation, etc.

*Proviso.*  
Limitation on amount.

SEC. 2. No bonded indebtedness shall be incurred by any public-utility district in the Territory of Alaska unless the proposal to incur such indebtedness be first submitted to the qualified electors of such district whose names appear on the last tax-assessment roll or record of such district for purposes of district taxation, at an election called for such purpose, and not less than 65 per centum of the votes cast at such election shall be in favor thereof. Not less than twenty days' notice of any such election shall be given by posting notices of the same in three conspicuous places within the district, one of which shall be posted at the front door of the United States post office therein, if there be a United States post office within such district. The registration for such election, the manner of conducting the same, the form of ballot, and the canvass of the returns shall be prescribed by the governing body of such district.

Submission and approval provisions.

Notice of election.

SEC. 3. Bonds issued pursuant to this Act shall bear such date or dates, may be in such denominations, may mature in such amounts and at such time or times not exceeding thirty years from the date thereof, may be payable at such place or places, may be sold at public or private sale, may be redeemable (either with or without premium) or nonredeemable, may carry such registration privileges as to either principal and interest or principal only, and may be executed by such officers and in such manner as shall be prescribed by the governing body of the district issuing the bonds. In case any of the officers whose signatures appear on the bonds or coupons shall cease to be such officers before delivery of such bonds, such signatures, whether manual or facsimile, shall, nevertheless, be valid and sufficient for all purposes. The same as if such officers had remained in office until such delivery. The bonds so issued shall bear interest at a rate to be fixed by the governing body of the district issuing the same, not to exceed, however, 6 per centum per annum, payable semiannually. All such bonds shall be sold for not less than the principal amount thereof plus accrued interest.

Registration, ballot, etc.

Bonds; denominations, maturity, etc.

Interest rate.

Annual levy for interest payments and retirement of bonds.

SEC. 4. It shall be the duty of the governing body of every district which incurs such bonded indebtedness to levy or cause to be levied each year during the life of such outstanding bonds taxes in amounts sufficient seasonably to provide for payment and to pay all interest on and the principal of such obligations as they respectively accrue and mature.

Inconsistent laws repealed.  
Powers, limitations, etc.

SEC. 5. All Acts and parts of Acts in conflict herewith are hereby repealed to the extent of such conflict. The powers conferred by this Act shall be in addition and supplemental to the powers conferred by any other law, and the limitations imposed hereby shall not affect the powers conferred by any other law.

Approved, May 31, 1938.

[CHAPTER 299]

AN ACT

May 31, 1938  
[H. R. 8177]  
[Public, No. 564]

To create a Commission to be known as the Alaskan International Highway Commission.

Alaskan International Highway.  
Appointment of commission.  
Personnel, tenure, etc.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the President of the United States, within ninety days from the passage of this Act, shall appoint, and he is hereby empowered to appoint, a Commission to be known as the Alaskan International Highway Commission, to be composed of five members, one a citizen of the Territory of Alaska, one a Member of the Congress of the United States, and three citizens of the United States of America; said Commissioners to be appointed for a two-year term and to serve without salary or other compensation. Said Commission shall be authorized by the President to cooperate and communicate directly with any similar agency which may be appointed in the Dominion of Canada in a study for the survey, location, and construction of a highway to connect the Pacific Northwest part of continental United States with British Columbia and the Yukon Territory in the Dominion of Canada, and the Territory of Alaska. Said Commission may cooperate with any such agency in the Dominion of Canada, in the study of specifications, estimates, and plans for the financing of the construction and maintenance of said road. Said Commission shall, within two years after their appointment, report to the President of the United States the extent and results of their activities and of any conferences, relative to such highway, and the President of the United States shall transmit said report to the Congress of the United States.

Cooperation with similar Canadian agency for study regarding connecting highway.

Report.

Approved, May 31, 1938.

[CHAPTER 300]

AN ACT

May 31, 1938  
[H. R. 8404]  
[Public, No. 565]

To authorize the Territory of Hawaii to convey the present Maalaea Airport on the island of Maui, Territory of Hawaii, to the Hawaiian Commercial and Sugar Company, Limited, in part payment for three hundred and seventy-one one-hundredths acres of land at Pulehu-Nui, island of Maui, Territory of Hawaii, to be used as a site for a new airport.

Hawaii.  
Exchange of land authorized, for site for new airport.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That any provision of the Hawaiian Organic Act to the contrary notwithstanding, the Governor of Hawaii, with the approval of the Commissioner of Public Lands of the Territory of Hawaii and the Territorial Land Board, is hereby authorized to convey to the Hawaiian Commercial and Sugar

Company, Limited, the present Maalaea Airport on the island of Maui, comprising an area of approximately one hundred eleven and nine-tenths acres and an appraised value of \$13,425, in part payment for a conveyance to the Territory of Hawaii, by said Hawaiian Commercial and Sugar Company, Limited, of an area of approximately three hundred and seventy-one one-hundredths acres and an appraised value of \$30,017.75, situated at Pulehu-Nui, island of Maui, Territory of Hawaii, to be used as a site for a new airport.

Approved, May 31, 1938.

## [CHAPTER 301]

## AN ACT

Relating to the retirement of the justices of the Supreme Court of the Territory of Hawaii and judges of the United States District Court for the Territory of Hawaii.

May 31, 1938  
[H. R. 8700]  
[Public, No. 566]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That every justice of the Supreme Court of the Territory of Hawaii and every judge of the United States District Court for the Territory of Hawaii may hereafter retire after attaining the age of seventy years. If such justice or judge retires after having served as a justice or judge of either of the aforementioned courts for a period or periods aggregating ten years or more, whether continuously or not, he shall receive annually in equal monthly installments, during the remainder of his life, a sum equal to such proportion of the salary received by such justice or judge at the date of such retirement as the total of his aggregate years of service bears to the period of sixteen years, the same to be paid by the United States in the same manner as the salaries of the aforesaid justices and judges: *Provided, however,* That in no event shall the sum received by any such justice or judge hereunder be in excess of the salary of such justice or judge at the date of such retirement.

Hawaii.  
Retirement of cer-  
tain judges.  
Eligibility.

Retirement pay.

*Proviso.*  
Limitation.

SEC. 2. In computing the years of service under this Act service in either of the aforesaid courts shall be included whether such service be continuous or not and whether rendered before or after the enactment hereof. The terms "retire" and "retirement" as used in this Act shall mean and include retirement, resignation, failure of reappointment upon the expiration of the term of office of an incumbent or removal by the President of the United States upon the sole ground of mental or physical disability.

Computation of  
years of service.

Terms construed.

Approved, May 31, 1938.

## [CHAPTER 302]

## AN ACT

To authorize the Secretary of Commerce of the United States to grant and convey to the State of Delaware fee title to certain lands of the United States in Kent County, Delaware, for highway purposes.

May 31, 1938  
[H. R. 8715]  
[Public, No. 567]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of Commerce is hereby authorized and directed to grant and convey for State highway purposes to the State of Delaware the fee title to the following strip of land, being a portion of the Mahon (Delaware) River Light Station Reservation, certain property of the United States in Kent County, State of Delaware:

State of Delaware.  
Conveyance of cer-  
tain lands in Kent  
County to, for high-  
way purposes.

Description.

An irregular piece of land, as hereinafter indicated, now a portion of the Mahon River Light Station Reservation, Delaware, beginning at a point on the Mahon River Lighthouse Reservation line which bears two hundred and seventy degrees one hundred and seventeen feet from granite monument C-2; thence sixteen degrees for a distance of four hundred feet; thence thirty degrees fifteen minutes for a distance of four hundred and fifty feet to monument C-3; thence ninety degrees for a distance of fifteen feet; thence one hundred and ninety-seven degrees thirty minutes for a distance of eight hundred and eight feet; thence two hundred and seventy degrees for a distance of one hundred and seventeen feet. Granite monuments are shown on map of Mahon River Light Station, Delaware, 1907, Drawing Numbered 2975. All bearings are from the observed true meridian.

Reversionary provision.

SEC. 2. Such conveyance shall contain the express condition that if the State of Delaware shall at any time cease to use the property for highway purposes or shall alienate or attempt to alienate such property title thereto shall revert to the United States.

Approved, May 31, 1938.

## [CHAPTER 303]

## AN ACT

May 31, 1938  
[H. R. 9123]  
[Public, No. 568]

To authorize the Secretary of War to lease to the village of Youngstown, New York, a portion of the Fort Niagara Military Reservation, New York.

Fort Niagara, N. Y.  
Lease of portion to  
Youngstown, N. Y.,  
for public purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, in order to provide facilities for sewerage and sewage treatment of the post of Fort Niagara, New York, and the village of Youngstown, New York, the Secretary of War be, and he is hereby, authorized to lease to the village of Youngstown, Niagara County, New York, a municipal corporation, for a term of fifty years, a tract of land not to exceed four acres adjacent to the northerly boundary of the Fort Niagara Military Reservation, New York, for the construction, operation, and maintenance by the village of Youngstown of an adequate sewage-treatment plant thereon, and also the use of a right-of-way for a sewer line extending from the easterly boundary of said reservation to said plant: *Provided*, That the location of said tract of land and right-of-way shall be approved by the Secretary of War, and the lease shall be subject to such provisions and conditions as he may prescribe: *Provided further*, That the consideration for said lease shall be the connection by the village of Youngstown of the present outfall sewer of the post of Fort Niagara with the proposed sewage-treatment plant, and the receipt and treatment in said plant of the sewage from said post, for which no charge shall be made by the village of Youngstown, except for chemicals used in treating said post sewage, the rate of such charge to be determined from time to time by the Secretary of War: *Provided*, That said lease shall not be granted until the Legislature of the State of New York shall have first provided by appropriate legislation that the granting of said lease shall not impair or invalidate any of the rights, title, or privileges granted to the United States pursuant to the act of the Legislature of New York passed April 21, 1840 (N. Y. Laws, 1840, ch. 155, p. 113).

*Provisos.*  
Approval by Sec-  
retary of War.

Consideration for  
lease.

Federal rights not  
impaired.

Approved, May 31, 1938.

## [CHAPTER 304]

## AN ACT

To authorize the withdrawal and reservation of small tracts of the public domain in Alaska for schools, hospitals, and other purposes.

May 31, 1938  
[H. R. 9358]  
[Public, No. 569]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Interior be, and he is hereby, authorized, in his discretion, to withdraw and permanently reserve small tracts of not to exceed six hundred and forty acres each of the public domain in Alaska for schools, hospitals, and such other purposes as may be necessary in administering the affairs of the Indians, Eskimos, and Aleuts of Alaska: *Provided*, That such withdrawals shall be subject to any valid existing rights.

Alaska.  
Withdrawal of lands  
for schools, hospitals,  
etc., authorized.

*Provido.*  
Valid existing  
rights.

Approved, May 31, 1938.

## [CHAPTER 305]

## JOINT RESOLUTION

To protect the copyrights and patents of foreign exhibitors at the Pacific Mercado International Exposition, to be held at Los Angeles, California, in 1940.

May 31, 1938  
[H. J. Res. 447]  
[Pub. Res., No. 100]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Librarian of Congress and the Commissioner of Patents are hereby authorized and directed to establish branch offices under the direction of the Register of Copyrights and the Commissioner of Patents, respectively, in suitable quarters on the grounds of the Pacific Mercado International Exposition, to be held at Los Angeles, California, under the direction of the Pacific Exposition Corporation, a California corporation, said quarters to be furnished free of charge by said corporation, said offices to be established at such time as may, upon sixty days' advance notice, in writing, to the Register of Copyrights and the Commissioner of Patents, respectively, be requested by said Pacific Exposition Corporation, but not earlier than January 1, 1940, and to be maintained until the close to the general public of said exposition; and the proprietor of any foreign copyright, or any certificate of trade-mark registration, or letters patent of invention, design, or utility model issued by any foreign government protecting any trade-mark, apparatus, device, machine, process, method, composition of matter, design, or manufactured article imported for exhibition and exhibited at said exposition may upon presentation of proof of such proprietorship, satisfactory to the Register of Copyrights or the Commissioner of Patents, as the case may be, obtain without charge and without prior examination as to novelty, a certificate from such branch office, which shall be prima facie evidence in the Federal courts of such proprietorship, the novelty of the subject matter covered by any such certificate to be determined by a Federal court in case an action or suit is brought based thereon; and said branch offices shall keep registers of all such certificates issued by them, which shall be open to public inspection.

Pacific Mercado International Exposition, Los Angeles, Calif.  
Protection of copyrights and patents of foreign exhibitors.  
Branch copyright, etc., offices on grounds.

Certificates of proprietorship.

Registers to be kept.

Deposit at close of Exposition.

At the close of said Pacific Mercado International Exposition the register of certificates of the copyright registrations aforesaid shall be deposited in the Copyright Office in the Library of Congress at Washington, District of Columbia, and the register of all other certificates of registration aforesaid shall be deposited in the United States Patent Office at Washington, District of Columbia, and there preserved for future reference. Certified copies of any such certificates shall, upon request, be furnished by the Register of Copyrights or the Commissioner of Patents, as the case may be, either during

Certified copies of certificates.



or after said exposition, and at the rates charged by such officials for certified copies of other matters; and any such certified copies shall be admissible in evidence in lieu of the original certificates in any Federal court.

Infringement of  
rights protected, un-  
lawful.

SEC. 2. It shall be unlawful for any person without authority of the proprietor thereof to copy, republish, imitate, reproduce, or practice at any time during the period specified in section 6 hereof any subject matter protected by registration as aforesaid at either of the branch offices at said exposition which shall be imported for exhibition at said exposition, and there exhibited, and which is substantially different in a copyright, trade-mark, or patent sense, as the case may be, from anything publicly used, described in a printed publication or otherwise known in the United States of America prior to such registration at either of said branch offices as aforesaid; and any person who shall infringe upon the rights thus protected under this joint resolution shall be liable—

Liabilities.

Injunction.

Pecuniary damages.

(a) To an injunction restraining such infringement issued by any Federal court having jurisdiction of the defendant;

(b) To pay to the proprietor such damages as the proprietor may have suffered due to such infringement, as well as all the profits which the infringer may have made by reason of such infringement, and in proving profits the plaintiff shall be required to prove sales only and the defendant shall be required to prove every element of cost which he claims, or in lieu of actual damages and profits such damages as to the court shall appear to be just;

Delivery of articles  
that infringe.

(c) To deliver upon an oath, to be impounded during the pendency of the act, upon such terms and conditions as the court may prescribe, all articles found by the court after a preliminary hearing to infringe the rights herein protected; and

Destruction.

(d) To deliver upon an oath, for destruction, all articles found by the court at final hearing to infringe the rights herein protected.

Infringement; pen-  
alty.

SEC. 3. Any person who willfully and for profit shall infringe any right protected under this joint resolution, or who shall knowingly and willfully aid or abet such infringement, shall be deemed guilty of a misdemeanor and upon conviction thereof shall be punished by imprisonment for not exceeding one year or by a fine of not less than \$100 nor more than \$1,000, or both, in the discretion of the court.

Terms of protection.

SEC. 4. All the Acts, regulations, and provisions which apply to protecting copyrights, trade-marks, designs, and patents for inventions or discoveries not inconsistent with the provisions of this joint resolution shall apply to certificates issued pursuant to this joint resolution but no notice of copyright on the work shall be required for protection hereunder.

Copyright, etc., ac-  
tions.

SEC. 5. Nothing contained in this joint resolution shall bar or prevent the proprietor of the subject matter covered by any certificate issued pursuant to this joint resolution from obtaining protection for such subject matter under the provisions of the copyright, trade-mark, or patent laws of the United States of America, as the case may be in force prior hereto, and upon making application and complying with the provisions prescribed by such laws; and nothing contained in this joint resolution shall prevent, lessen, impeach, or avoid any remedy at law or in equity under any certificate of copyright registration, certificate of trade-mark registration, or letters patent for inventions or discoveries or designs issued under the copyright, trade-mark, or patent laws of the United States of America, as the case may be in force prior hereto, and which any owner thereof and of a certificate issued thereon pursuant to this joint resolution might have had if this joint resolution had not been passed, but such owner shall not twice recover the damages he has sustained of the profit made by reason of any infringement thereof.

SEC. 6. The rights protected under the provisions of this joint resolution as to any copyright, trade-mark, apparatus, device, machine, process, method, composition of matter, design, or manufactured article imported for exhibition at said Pacific Mercado International Exposition shall begin on the date the same is placed on exhibition at said exposition and shall continue for a period of six months from the date of the closing to the general public of said exposition.

Duration of protection.

SEC. 7. All necessary expenses incurred by the United States in carrying out the provisions of this joint resolution shall be reimbursed to the Government of the United States by the Pacific Exposition Corporation, under regulations to be prescribed by the Librarian of Congress and the Commissioner of Patents, respectively; and receipts from such reimbursements shall be deposited as refunds to the appropriations from which such expenses were paid.

Reimbursement of incurred expenses.

Approved, May 31, 1938.

[CHAPTER 306]

JOINT RESOLUTION

To increase by \$15,000 the amount authorized to be appropriated for the observance of the anniversary of the adoption of the Ordinance of 1787 and the settlement of the Northwest Territory.

May 31, 1938  
[H. J. Res. 647]  
[Pub. Res., No. 101]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That in addition to the amount authorized to be appropriated by section 4 of the joint resolution entitled "Joint resolution to provide for the observance and celebration of the one hundred and fiftieth anniversary of the adoption of the Ordinance of 1787 and the settlement of the Northwest Territory", approved August 2, 1935, as amended, there is hereby authorized to be appropriated not to exceed the sum of \$15,000.

Anniversary of adoption of Ordinance of 1787 and settlement of Northwest Territory.  
Additional amount authorized for observance of.  
*Post*, p. 1117.  
49 Stat. 511.

Approved, May 31, 1938.

[CHAPTER 308]

AN ACT

To amend section 30 of the Act of March 2, 1917, entitled "An Act to provide a civil government for Porto Rico, and for other purposes."

June 1, 1938  
[H. R. 1486]  
[Public, No. 570]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 30 of the Act entitled "An Act to provide a civil government for Porto Rico, and for other purposes", approved March 2, 1917, as amended, is amended to read as follows:

Puerto Rico, civil government.

"SEC. 30. The terms of office of senators and representatives elected at any general election shall be four years, commencing on the 2d day of January following the date upon which such election was held. In case of a vacancy in the office of any senator or representative occurring by reason of death, resignation, or otherwise, the Governor, upon the recommendation of the central committee of the political party of which such senator or representative was a member, shall appoint a senator or representative from such political party to fill such vacancy who shall hold office for the remainder of the term for which his predecessor was elected. No senator or representative so elected or appointed shall, during his term of office, be appointed to any civil office under the Government of Puerto Rico, and no such senator or representative shall be eligible for appointment to any office created during his term of office until the expiration of two years after the date upon which his term of office shall have expired."

39 Stat. 959.  
48 U. S. C. § 819.

Terms of senators and representatives.

Appointments to fill vacancies.

Appointment to civil office or office created during term of office.

Approved, June 1, 1938.

## [CHAPTER 309]

## AN ACT

June 1, 1938  
[H. R. 4276]  
[Public, No. 571]

To amend an Act entitled "An Act to create a juvenile court in and for the District of Columbia", and for other purposes.

Juvenile Court Act  
of the District of Co-  
lumbia, amendments.  
34 Stat. 73.  
18 D. C. Code, ch. 6.

Purpose and basic  
principle.

Construction of the  
Act.

A court of record;  
seal; oaths.

Terms.

Application of Act.

Definitions.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That an Act entitled "An Act to create a juvenile court in and for the District of Columbia", approved March 19, 1906, as amended, is, with the exception of section 1 of said Act, hereby further amended so as to read as follows:

"PURPOSE AND BASIC PRINCIPLE.—The purpose of this Act is to secure for each child under its jurisdiction such care and guidance, preferably in his own home, as will serve the child's welfare and the best interests of the State; to conserve and strengthen the child's family ties whenever possible, removing him from the custody of his parents only when his welfare or the safety and protection of the public cannot be adequately safeguarded without such removal; and, when such child is removed from his own family, to secure for him custody, care, and discipline as nearly as possible equivalent to that which should have been given by his parents.

"SEC. 2. CONSTRUCTION OF THE ACT.—This Act shall be liberally construed to accomplish the purpose herein sought.

"SEC. 3. A COURT OF RECORDS; SEAL; OATHS.—Said court shall be a court of record. The court shall have a seal, and the judge or acting judge thereof shall have power to administer oaths and affirmations.

"SEC. 4. TERMS.—The said court shall hold a term on the first Monday of every month and continue the same from day to day as long as it may be necessary for the transaction of its business.

"SEC. 5. APPLICATION OF ACT AND DEFINITIONS.—

"(a) This Act shall apply to any person under the age of eighteen years—

"(1) Who has violated any law; or who has violated any ordinance or regulation of the District of Columbia; or

"(2) Who is habitually beyond the control of his parent, custodian, or guardian; or

"(3) Who is habitually truant from school or home; or

"(4) Who habitually so deports himself as to injure or endanger himself or the morals or safety of himself or others; or

"(5) Who is abandoned by his parent, guardian, or custodian; or

"(6) Who is homeless or without adequate parental support or care, or whose parent, guardian, or custodian neglects or refuses to provide support and care necessary for his health or welfare; or

"(7) Whose parent, guardian, or custodian neglects or refuses to provide or avail himself of the special care made necessary by his mental condition; or

"(8) Who associates with vagrants, vicious, or immoral persons; or

"(9) Who engages in an occupation or is in a situation dangerous to life or limb or injurious to the health or morals of himself or others; or

"(b) When used in this Act—

"(1) The words 'the court' means the juvenile court of the District of Columbia;

"(2) The word 'judge' means the judge of the juvenile court;

"(3) The word 'child' means a person under the age of eighteen years;

"(4) The word 'adult' means a person eighteen years of age or older.

"SEC. 6. JURISDICTION.—1. CHILDREN.—Except as herein otherwise provided, the court shall have original and exclusive jurisdiction of all cases and in proceedings:

Jurisdiction.  
Children.

"(a) Concerning any child coming within the terms and provisions of this Act.

General provisions.

"(b) Concerning any person under twenty-one years of age charged with having violated any law, or violated any ordinance or regulation of the District of Columbia, prior to having become eighteen years of age, subject to appropriate statutes of limitation.

Offenders, under 21 years.

"(c) To determine the paternity of any child alleged to have been born out of wedlock and to provide for his support in accordance with the provisions of an Act providing for the support and maintenance of children born out of wedlock, approved June 18, 1912 (D. C. Code, title 18, secs. 281-287); in which cases the respondent shall be entitled to jury trial unless he shall voluntarily waive such right and request trial by the court.

Children born out of wedlock; determination of paternity, support.

37 Stat. 134.  
18 D. C. Code §§ 281-287.

"(d) To determine the custody or guardianship of the person of any child coming within the provisions of this Act.

Custody or guardianship.

"Nothing contained herein shall deprive other courts of the right to determine the custody of children upon writs of habeas corpus, or when such custody is incidental to the determination of causes pending in such courts.

Right of other courts to determine custody upon writs of habeas corpus, etc.

"When jurisdiction shall have been obtained by the court in the case of any child, such child shall continue under the jurisdiction of the court until he becomes twenty-one years of age unless discharged prior thereto: *Provided, however,* That nothing herein contained shall affect the jurisdiction of other courts over offenses committed by such child after he reaches the age of eighteen.

Continuation of jurisdiction when once obtained until age of 21; exception.

*Proviso.*  
Jurisdiction over offenses committed after age of 18.

"2. ADULTS.—The court shall have original and exclusive jurisdiction to determine cases of adults charged with willfully contributing to, encouraging, or tending to cause by any act or omission any condition which would bring a child within the provisions of this Act.

Adults.  
Contributing to delinquency, etc., of children.

"The court shall have concurrent jurisdiction with the District Court of the United States for the District of Columbia in all cases involving children arising under the Act entitled 'An Act making it a misdemeanor in the District of Columbia to abandon or willfully neglect to provide for the support and maintenance by any person of his wife or of his or her minor children in destitute or necessitous circumstances', approved March 23, 1906 (D. C. Code, title 6, secs. 270-273).

Concurrent jurisdiction in abandonment, etc., cases.

34 Stat. 86.  
6 D. C. Code §§ 270-273.

"SEC. 7. INFORMATION; INVESTIGATION; PETITION.—Whenever any person shall give to the director of social work of the court, or other officer of the court duly designated as his representative, information in his possession that a child is within the provisions of this Act, it shall be the duty of a duly designated officer of the court to make preliminary investigation to determine whether the interests of the public or of the child require that further action be taken and report his finding, together with a statement of the facts, to the director of social work. Whenever practicable such inquiry shall include a preliminary investigation of the home and environmental situation of the child, his previous history, and the circumstances which were the subject of the information. If the director of social work finds that jurisdiction should be acquired, he shall, after consultation with and approval by the corporation counsel or assistant corporation counsel assigned to the court, authorize a petition to be filed. In any case in which said director fails to so find, the person giving information to the director may present the facts to the corporation counsel or his assistant, who, after investigation by an officer

Information.

Investigation.

Filing of petition.

of the court as herein provided, may authorize a petition to be filed. The proceedings shall be entitled, 'In the matter of \_\_\_\_\_, a child under eighteen years of age'.

Verification.

"The petition shall be verified by the officer making the investigation, or some other person having personal knowledge of the case, and shall allege briefly the facts which bring said child within the provisions of this Act, and stating the name, age, and residence (1) of the child; (2) of his parents; (3) of his legal guardian, if there be one; (4) of the person or persons having custody or control of the child; and (5) of the nearest known relative, if no parent or guardian can be found. If any of the facts herein required are not known by the petitioner the petition shall so state.

Summons; notice; custody of the child.

"SEC. 8. SUMMONS; NOTICE; CUSTODY OF THE CHILD.—After a petition shall have been filed, unless the parties hereinafter named shall voluntarily appear, the court shall issue a summons reciting briefly the substance of the petition, and requiring the person or persons who have the custody or control of the child to appear personally and bring the child before the court at a time and place stated. If the person so summoned shall be other than the parent or guardian of the child, then the parent or guardian or both shall also be notified of the pendency of the case and of the time and place appointed, by personal service before the hearing, except as hereinafter provided: *Provided*, That if the child is married then the other spouse shall also be so notified. Summons may be issued requiring the appearance of any other person whose presence is necessary.

If other than parent or guardian.

*Proviso.*  
Notification to other spouse if child is married.

Custody of child by court.

"If it appears that the child is in such condition or surroundings that his welfare requires that his custody be immediately assumed by the court, the judge may cause to be endorsed upon the summons an order that the officer serving the same shall at once take the child into custody.

Service of summons.

*Provisos.*  
Service by registered mail or by publication.

"SEC. 9. SERVICE OF SUMMONS.—Service of summons shall be made personally by the delivery of a true and attested copy to the person summoned: *Provided*, That where reasonable but unsuccessful efforts have been made to make personal service of summons or notice and if it shall appear that it is impracticable to do so, the court may make an order providing for service of summons or notice by registered mail to the last known address or by publication, or both, as may be deemed necessary. It shall be sufficient to confer jurisdiction if service is effected at any time before the date fixed in the summons for the return thereof: *Provided*, That on request of the parent or guardian or person having custody of the child, the hearing on the petition shall not take place until three days subsequent to service of said summons.

Deferring hearing on request of child's custodian.

Execution of orders and processes of court.

"The United States marshal for the District of Columbia or his deputy shall execute the orders and processes of the court in the same manner as he executes those of the District Court of the United States for the District of Columbia, and shall designate at least one of his deputies to serve at the court, where he shall perform such services as are required by the judge.

Failure to obey summons; warrant.

"SEC. 10. FAILURE TO OBEY SUMMONS; WARRANT.—If any person summoned as herein provided shall, without reasonable cause, fail to appear, he may be proceeded against for contempt of court. In case the summons cannot be served, or the parties served fail to obey the same, or the welfare of the child requires that he shall be brought forthwith into the custody of the court, a warrant may be issued against the parent or guardian or against the child himself.

Release of children taken into custody.

"SEC. 11. RELEASE OF CHILDREN TAKEN INTO CUSTODY.—Whenever any officer takes a child into custody, he shall, unless it is imprac-

licable or has been otherwise ordered by the court, accept the written promise of the parent, guardian, or custodian to bring the child to the court at the time fixed. Thereupon such child may be released in the custody of a parent, guardian, or custodian. If not so released, such child shall be placed in the custody of a probation officer or other person designated by the court, or taken immediately to the court or to a place of detention provided by the Board of Public Welfare, and the officer taking him shall immediately notify the court and shall file a petition when directed to do so by the court.

"In the case of any child whose custody has been assumed by the court and pending the final disposition of the case, the child may be released in the custody of a parent, guardian, or custodian, or of a probation officer or other person appointed by the court, to be brought before the court at the time designated. When not released as herein provided, such child, pending the hearing of the case, shall be detained in such place of detention as shall be provided by the Board of Public Welfare, subject to further order of the court.

"Nothing in this Act shall be construed as forbidding any peace officer, police officer, or probation officer from immediately taking into custody any child who is found violating any law or ordinance, or who is reasonably believed to be a fugitive from his parents or from justice, or whose surroundings are such as to endanger his health, morals, or safety, unless immediate action is taken. In every such case the officer taking the child into custody shall immediately report the fact to the court and the case shall then be proceeded with as provided in this Act.

Taking children in-  
to custody.

Report to court.

"SEC. 12. TRANSFER FROM OTHER COURTS.—If during the pendency of a criminal or quasi-criminal charge against any person under twenty-one years of age, in any other court, it shall be ascertained that said person was under the age of eighteen years at the time of committing the alleged offense, it shall be the duty of such court to transfer such other case immediately, together with all the papers, documents, and testimony connected therewith, to the juvenile court. Such other court making such transfer shall order the child to be taken forthwith to the place of detention designated by the court or to that court itself, or release such child in the custody of some suitable person to appear before the juvenile court at a time designated. The court shall thereupon proceed to hear and dispose of such case in the same manner as if it had been instituted in that court in the first instance.

Transfer from other  
courts.

"SEC. 13. WAIVER OF JURISDICTION.—If a child sixteen years of age or older is charged with an offense which would amount to a felony in the case of an adult, the judge, after full investigation, may waive jurisdiction and order such child held for trial under the regular procedure of the court which would have jurisdiction of such offense if committed by an adult; or such other court may exercise the powers conferred upon the juvenile court in this Act in conducting and disposing of such case.

Waiver of jurisdic-  
tion.

"SEC. 14. HEARING; JUDGMENT.—The court may conduct the hearing in an informal manner, and may adjourn the hearing from time to time. In the hearing of any case the general public shall be excluded and only such persons as have a direct interest in the case and their representatives admitted. All cases involving children may be heard separately and apart from the trial of cases against adults. The court shall hear and determine all cases of children without a jury unless a jury be demanded by the child, his parent, or guardian or the court.

Hearing; judgment.

Court orders.	"If the court shall find that the child comes within the provisions of this Act, it may by order duly entered proceed as follows:
Probation, etc.	"(1) Place the child on probation or under supervision in his own home or in the custody of a relative or other fit person, upon such terms as the court shall determine.
Commitments.	"(2) Commit the child to the Board of Public Welfare; or to the National Training School for Girls or the National Training School for Boys if in need of such care as is given in such schools; or to a qualified suitable private institution or agency willing and able to assume the education, care, and maintenance of such child without expense to the public.
Further disposition.	"(3) Make such further disposition of the child as may be provided by law and as the court may deem to be best for the best interests of the child: <i>Provided</i> , That nothing herein shall be construed as authorizing the removal of the child from the custody of his parents unless his welfare and the safety and protection of the public cannot be adequately safeguarded without such removal.
<i>Proviso.</i> Removal of child from parents only when conditions demand it.	"Whenever a child is committed by the court to custody other than that of its parent, the court may, after giving the parent a reasonable opportunity to be heard, adjudge that such parent shall pay in such manner as the court may direct such sum as will cover in whole or in part the support of such child, and if such parent shall willfully fail or refuse to pay such sum, he may be proceeded against as provided by law for cases of desertion or failure to provide subsistence.
Support of child.	"Whenever the court shall commit a child to any institution or agency it shall transmit with the order of commitment a summary of its information concerning such child.
Refusal to provide.	"No adjudication upon the status of any child in the jurisdiction of the court shall operate to impose any of the civil disabilities ordinarily imposed by conviction, nor shall any child be deemed a criminal by reason of such adjudication, nor shall such adjudication be deemed a conviction of a crime, nor shall any child be charged with or convicted of a crime in any court, except as provided in section 13 of this Act. The disposition of a child or any evidence given in the court shall not be admissible as evidence against the child in any case or proceeding in any other court, nor shall such disposition, or evidence or adjudication operate to disqualify a child in any future civil-service examination, appointment, or application for public service under either the Government of the United States or of the District of Columbia.
Information to accompany order of commitment.	"SEC. 15. MODIFICATION OF JUDGMENT; RETURN OF CHILD TO PARENTS.—An order of commitment or probation made by the court in the case of a child shall be subject to modification or revocation from time to time.
Imposition of civil disabilities, etc.	"A parent, guardian, or next friend of a child who has been committed by the court to the custody of an institution, agency, or person, may at any time file with the court a verified petition, making application for modification or revocation of an order of commitment or probation, stating that such institution, agency, or person has denied application for the release of the child or has failed to act upon such application within a reasonable time. If the court is of the opinion that an investigation should be had, it may, upon due notice to all concerned, proceed to hear and determine the question at issue. It may thereupon order that such child be restored to the custody of its parent or guardian or be retained in the custody of the institution, agency, or person; and may direct such institution, agency, or person to make such other arrangements for the child's care and welfare as the circumstances of the case may require; or the court may make a further order or commitment.
Admissibility of evidence in any other court.	
Use of, to disqualify in public employment.	
Modification of judgment.	
Return of child to parents, etc.	

"SEC. 16. APPOINTMENT OF GUARDIAN.—Whenever in the course of a proceeding instituted under this Act it shall appear to the court that the welfare of a child will be promoted by the appointment of a relative or other suitable individual as guardian of its person, when such child is not committed to an institution or to the custody of an incorporated society, the court shall have jurisdiction to make such appointment either upon the application of the child or some relative or next friend or upon the court's own motion, and in that event an order to show cause may be made by the court to be served upon the parent or parents or custodian of said child in such manner and for such time prior to the hearing as the court may deem reasonable. In a case arising under this Act the court may also determine as between parents whether the father or the mother shall have the custody and control of said child.

Appointment of guardian.

"SEC. 17. SELECTION OF CUSTODIAL AGENCY.—In placing a child under any guardianship or custody other than that of its parent, the court shall, when practicable, select a person, or an institution or agency governed by persons of like religious faith as that of the parents of such child, or in case of a difference in the religious faith of the parents, then of the religious faith of the child, or if the religious faith of the child is not ascertained, then of either of the parents.

Selection of custodial agency.

"SEC. 18. PROCEDURE IN ADULT CASES.—All provisions of this Act relative to procedure in cases of children so far as practicable shall be construed as applying also to cases against adults arising under section 6 of this Act with the consent of the defendant or when not inconsistent with other provisions of law relating to the conduct of adult cases. Proceedings may be instituted upon complaint of an interested party or upon the court's own motion, and a reasonable opportunity to appear shall be afforded the respondent. The court may issue a summons, a warrant of arrest, or other process in order to secure or to compel the attendance of any necessary person. Any person who by act or omission willfully causes, encourages, or contributes to any condition which would bring a child within the provisions of this Act, or who by such act or omission tends to cause such a condition, shall be guilty of a misdemeanor and punished by a fine not exceeding \$200 or imprisoned not exceeding twelve months, or by both fine and imprisonment. Upon the trial of such cases the court shall have power to impose such sentence as the law provides, or may suspend sentence and place on probation, and by order impose upon such adult such duty as shall be deemed to be for the best interests of the child or other persons concerned. If an adult is charged with an offense for which he is entitled to a trial by jury, he shall be so tried unless he shall expressly waive his right to such a trial.

Procedure in adult cases.

*Ante*, p. 597.

Penalty.

Jury trials.

"SEC. 19. APPOINTMENT AND QUALIFICATIONS OF JUDGE.—The judge of the court shall be appointed by the President of the United States, by and with the consent of the Senate, for a term of six years, or until his successor is appointed and confirmed. To be eligible for appointment as judge a person must be a member of the bar, preferably of the District of Columbia, and have a knowledge of social problems and procedure and an understanding of child psychology. The judge shall, before entering upon the duties of his office, take the oath prescribed for judges of courts of the United States. The salary of the judge shall be fixed in accordance with the Classification Act of 1923, as amended.

Judge, appointment and qualifications.

Oath.

Salary.

5 U. S. C. §§ 661-674; Supp. III, §§ 673, 673c.

"SEC. 20. FILLING VACANCY IN JUDGESHIP IN CASES OF SICKNESS, AND SO FORTH.—In cases of sickness, absence, disability, or death of the judge of the juvenile court, the chief justice or acting chief justice of

Filling vacancy in case of sickness, etc.



the District Court of the United States for the District of Columbia shall designate one of the judges of the municipal court of said District to discharge the duties of said judge of the juvenile court until such disability be removed or vacancy filled.

Director of social  
work, etc.  
Appointments.

"SEC. 21. APPOINTMENT OF DIRECTOR OF SOCIAL WORK, SUPERVISOR OF PROBATION, PROBATION OFFICERS AND OTHER EMPLOYEES.—The judge shall appoint from eligible lists of the Civil Service Commission a director of social work, a supervisor of probation, probation officers, a clerk, a deputy clerk, and such other employees as may be necessary, at such salaries as may be fixed in accordance with the Classification Act of 1923, as amended, and with such qualifications as may be prescribed by the Civil Service Commission pursuant to said Act or Acts.

5 U. S. C. §§ 861-874;  
Supp. III, §§ 673, 673c.

Duties and powers  
of director of social  
work.

"SEC. 22. DUTIES AND POWERS OF THE DIRECTOR OF SOCIAL WORK.—Under the administrative direction of the judge, the director of social work shall have charge of all the social work of the court; and shall, in association with other social agencies of the District of Columbia, study sources and causes of delinquency and assist in developing and correlating community-wide plans for the prevention and treatment of delinquency.

Duties and powers  
of department of pro-  
bation.

"SEC. 23. DUTIES AND POWERS OF THE DEPARTMENT OF PROBATION.—The supervisor of probation, under the direction of the director of social work, shall organize, direct, and develop the work of the probation department of the court.

"The probation department of the court shall make such investigations as the court may direct, keep a written record of such investigations and submit the same to the judge or deal with them as he may direct. The probation department shall use all suitable methods to aid persons on probation and bring about improvement in their conduct and condition; keep informed concerning the conduct and condition of each person under its supervision and report thereon to the judge as he may direct and keep full records of its work. The probation officers shall have such duties as may be assigned to them in the course of performing the functions of the probation department. Probation officers for the purpose of this Act shall have the power of police officers.

Clerk, duties.

"SEC. 24. DUTIES OF THE CLERK.—The clerk shall give bond, with surety, and take the oath of office prescribed by law for clerks of District Courts of the United States. He shall have power to administer oaths and affirmations; shall keep accurate and complete accounts of money collected from persons under the supervision of the probation department, give receipts therefor, and make reports thereon as the judge may direct; and shall perform such duties and keep such records as may be prescribed by the judge of said court.

Physical and mental  
examinations and  
treatment.

"SEC. 25. PHYSICAL AND MENTAL EXAMINATIONS AND TREATMENT.—The court may cause any child coming under its jurisdiction to be examined by a physician, psychiatrist, or psychologist appointed by the court.

Place of detention.

"SEC. 26. PLACE OF DETENTION.—No child under eighteen years of age shall be placed in or committed to any prison, jail, or lock-up, nor shall such child be taken into custody, detained, or transferred from place to place, where he may be brought in contact or communication with any adult convicted of crime or under arrest and charged with crime: *Provided*, That a child sixteen years of age or older, whose habits or conduct are deemed such as to constitute a menace to other children, may, with the consent of the judge or director of social work, be placed in a jail or other place of detention for adults, but in a room or ward separate from adults.

*Proviso.*  
Segregation.

"The Board of Public Welfare of the District of Columbia shall make adequate provision for the temporary detention of children within its jurisdiction in a detention home or in boarding homes selected for purposes of such detention.

Provision for temporary detention by Board of Public Welfare.

"SEC. 27. COURT QUARTERS.—Suitable quarters shall be provided by the Commissioners for the District of Columbia for the hearing of cases and for the use of the judge and the probation department and employees of the court.

Court quarters.

"SEC. 28. RECORDS; FORMS.—The court shall maintain records of all cases brought before it. Such records shall be open to inspection by respondents, their parents or guardians, or their duly authorized attorneys, but otherwise only by order of the District Court of the United States for the District of Columbia. The court shall devise and cause to be printed such forms for records and such other papers as may be required.

Records; forms.

"SEC. 29. RULES.—The court shall have power to issue all necessary orders and writs in aid of the jurisdiction hereby vested in it; and to frame and publish rules and regulate the procedure for cases arising within the provisions of this Act and for the conduct of its officers and employees and such rules shall be enforced and construed beneficially for the remedial purposes embraced herein.

Rules.

"SEC. 30. COOPERATION.—It is hereby made the duty of every official of the District of Columbia or department thereof to render all assistance and cooperation within his or its jurisdictional power which may further the objects of this Act. All institutions or agencies to which the court sends any child are hereby required to give to the court or to any officer appointed by it such information or reports concerning such child as said court or officer may require. The court is authorized to seek the cooperation of all societies or organizations having for their object the protection or aid of children.

Cooperation of officials, departments, etc.

"SEC. 31. COOPERATION BY CORPORATION COUNSEL.—The corporation counsel of the District of Columbia or his assistant shall assist the court upon request in hearings to determine delinquency, dependency, or neglect, and shall prosecute all cases within the jurisdiction of the court in which an adult is charged with crime.

Cooperation by corporation counsel.

"SEC. 32. CONTEMPT.—Any person who willfully violates, neglects, or refuses to obey or perform any order of the court may be declared in contempt and be punished by a fine not exceeding \$200 or imprisonment for not more than six months, or both.

Contempt.  
Penalty.

"SEC. 33. APPEAL.—Any interested party aggrieved by any final order or judgment of the juvenile court may apply to the United States Court of Appeals for the District of Columbia or to one of the justices thereof for the allowance of an appeal, and the said court or justice may allow such appeal whenever in the opinion of said court or justice the order or judgment ought to be reviewed upon any matter of law. The application for said appeal shall be in writing, shall be verified, and shall state fully the grounds on which the same is asked, and shall include the petition and a narrative statement of the evidence authenticated by the judge of the juvenile court and the assignment or assignments of error relied on, and shall be presented to said Court of Appeals, or one of the justices thereof, within such time as that court may by rule prescribe. If an appeal is allowed, the same shall be placed upon the special calendar and shall be heard by the court as soon thereafter as is convenient to the court and as counsel may be heard. Any party desiring the benefit of the provisions of this section shall give notice in open court

Appeal.

*Proviso.*  
Appeal not to suspend juvenile court order, etc.

Appellate court order; effect, etc.

Fees prohibited.

Jury; term of service.

Impanelling the jury.

Judgments to be final.

Fines to be paid to clerk.

Deposit of receipts.

of his intention to apply for an appeal: *Provided*, That the appeal or application for the allowance of such appeal shall not suspend the order of the juvenile court, nor shall it discharge the child from the custody of that court or of the person, institution, or agency to whose care such child shall have been committed, unless the court of appeals shall so order. If the United States Court of Appeals for the District of Columbia does not dismiss the proceedings and discharge the child, it shall affirm or modify the order of the juvenile court and remand the child to the jurisdiction of the juvenile court for supervision and care, and thereafter the child shall be and remain under the jurisdiction of the juvenile court in the same manner as if such court had made said order without an appeal having been taken.

"SEC. 34. FEES PROHIBITED.—No fee shall be charged for any service rendered by the clerk or by any officers of the court.

"SEC. 35. JURY; TERM OF SERVICE.—The jury for service in said court shall consist of twelve persons, who shall have the legal qualifications necessary for jurors in the District Court of the United States for the District of Columbia, and shall receive a like compensation for their services, and such jurors shall be drawn and selected under and in pursuance of the laws concerning the drawing and selection of jurors for service in said court. The term of service of jurors drawn for service in said juvenile court shall be for three successive monthly terms of said court, and in any case on trial at the expiration of such time until a verdict shall have been rendered or the jury shall be discharged. The said jury terms shall begin on the first Monday in January, the first Monday in April, the first Monday in July, and the first Monday in October of each year, and shall terminate, subject to the foregoing provisions, on the Saturday prior to the beginning of the following term. When at any term of said court it shall happen that in a pending trial no verdict shall be found, nor the jury otherwise discharged before the next succeeding term of the court, the court shall proceed with the trial by the same jury as if said term had not commenced.

"SEC. 36. IMPANELING THE JURY.—At least ten days before the term of service of said jurors shall begin, as herein provided for, such jurors shall be drawn as hereinbefore directed, and at least twenty-six names so drawn shall be certified by the clerk of the District Court of the United States for the District of Columbia to the said juvenile court for service as jurors for the then ensuing term. Deficiencies in any panel of any such jury may be filled according to the law applicable to jurors in said supreme court, and for this purpose the judge of said juvenile court shall possess all the powers of a judge of said supreme court and of said court sitting as a special term. No person shall be eligible for service on a jury in said juvenile court for more than one jury term in any period of twelve consecutive months, but no verdict shall be set aside on such ground unless objection shall be made before the trial begins. The marshal of said District, by himself or deputy, shall have charge of said jury, and may appoint a deputy for that purpose.

"SEC. 37. JUDGMENTS TO BE FINAL.—In all cases tried before said court the judgment of the court shall be final, except as provided in section 33 of this Act.

"SEC. 39. FINES TO BE PAID TO CLERK; DEPOSIT OF RECEIPTS; STATEMENTS.—All fines, penalties, costs, and forfeitures imposed or taxed by the said juvenile court shall be paid to the clerk of said court, either with or without process, or on process ordered by said court. The clerk of said court shall, on the first secular day of each week, deposit with the collector of taxes the total amount of all fines,

penalties, costs, and forfeitures collected by him during the week next preceding the date of such deposit, to be covered into the Treasury to the credit of the District of Columbia. The said clerk shall render an itemized statement of each deposit aforesaid to the auditor of the District of Columbia.

Itemized statements.

"SEC. 40. AUDIT OF ACCOUNTS.—It shall be the duty of the auditor of the District of Columbia, and he is hereby required, to audit the accounts of the clerk of the juvenile court at the end of every quarter and to make prompt report thereof in writing to the Commissioners of the District of Columbia. The auditor of the District shall have free access to all books, papers, and records of the said court.

Audit of accounts.

"SEC. 41. SEPARABILITY OF PROVISIONS.—If any provision of this Act, or the application thereof to any person or circumstances, is held invalid, the remainder of the Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

Separability of provisions.

"SEC. 42. CONTINUANCE IN OFFICE.—The judge and other officers holding office at the date of the passage of this Act shall continue in office until the terms for which they were appointed shall expire and until their successors are duly appointed and qualified.

Continuance in office of present judge and other officers.

"SEC. 43. TITLE OF STATUTE.—This Act may be cited as the 'Juvenile Court Act of the District of Columbia'.

Short title.

"SEC. 44. REPEAL.—All Acts or parts of Acts inconsistent with this Act are hereby repealed."

Repeal of inconsistent laws.

Approved, June 1, 1938.

#### [CHAPTER 310]

#### AN ACT

To authorize payments in lieu of allotments to certain Indians of the Klamath Indian Reservation in the State of Oregon, and to regulate inheritance of restricted property within the Klamath Reservation.

June 1, 1938  
[H. R. 5974]  
[Public, No. 572]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That as used in this Act the term "Klamath Tribe" includes the members of the Klamath and Modoc Tribes and the Yahooskin Band of Snakes and all other Indians having rights on the Klamath Indian Reservation in the State of Oregon.

Klamath Indians, Oreg.  
"Klamath Tribe" construed.

SEC. 2. Each enrolled member of the Klamath Tribe living on the date of the enactment of this Act who has not received an allotment of land shall be paid the sum of \$1,500 from unobligated Klamath tribal funds on deposit in the Treasury of the United States, under such rules and regulations as the Secretary of the Interior shall prescribe, in installments of not to exceed \$300 per annum: *Provided*, That no member of the Klamath Tribe who shall not be enrolled within one year from the date of the enactment of this Act shall receive a payment in lieu of allotment. No member of the Klamath Tribe born after the date of the enactment of this Act shall be entitled to receive any allotment of land or money payment in lieu thereof.

Payment to each enrolled member who has not received allotment of land.

Annual installments.  
*Provided*.  
Enrollment requirements.  
Members born hereafter.

SEC. 3. The payments herein authorized shall be deposited to the credit of the individual Indian money accounts of such Indians subject to expenditure by such Indians, under such rules and regulations as the Secretary of the Interior may prescribe for (1) industrial and agricultural assistance, and the construction and improvement of homes, including the purchase of land and interests in land, building material, farming equipment, industrial equipment, trucks, livestock, feed, food, seed, tools, machinery, implements, household goods, bedding, clothing, and any other equipment or supplies necessary to enable the Indians to fit themselves for or to engage in the farming,

Deposit of payments to credit of individual Indian money accounts.  
Authorized expenditures.

livestock industry, or such other industrial or agricultural pursuits or avocations as will enable them to become self-supporting; (2) the educational advancement of such Indians; (3) financial assistance in cases of illness, death, or other emergency; (4) the repayment of reimbursable debts previously contracted; or (5) security for or the repayment of loans made to such Indians from any Klamath revolving loan fund now existent or which shall hereafter be created.

Disposition of balance in event of death.

SEC. 4. In the event of the death of any such Indian entitled to receive a payment in lieu of allotment after the date of the enactment of this Act, any unexpended balance of said \$1,500 still due the decedent shall first be applied to the repayment of any loans received by such Indian from the United States or from the Klamath Tribal funds, and the balance thereafter shall be distributed as personal property.

Inheritance restriction.

SEC. 5. Hereafter only enrolled members of the Klamath Tribe of not less than one-sixteenth degree Indian blood of the Klamath Tribe shall inherit or take by devise any restricted or trust property within the Klamath Reservation: *Provided*, That the surviving spouse shall be entitled to the use of one-half part during his or her natural life of all the land included in any such property whereof the decedent was seized of an estate of inheritance at any time during coverture.

*Proviso.*  
Life interest of surviving spouse.

Disposition of restricted or trust property upon death without heirs, etc.

SEC. 6. If any enrolled member of the Klamath Tribe dies without lawful heirs or devisees<sup>1</sup>, all interest which such member has in any restricted or trust property within the Klamath Reservation shall revert to and become part of the common tribal property.

Approved, June 1, 1938.

#### [CHAPTER 311]

#### AN ACT

June 1, 1938

[H. R. 9577]

[Public, No. 573]

To amend section 402 of the Merchant Marine Act, 1936, to further provide for the settlement of ocean mail contract claims.

Merchant Marine Act, 1936, amendments.

49 Stat. 1993.

46 U. S. C., Supp.

III, § 1142.

Ocean mail contracts.

47 Stat. 1510; 48 Stat. 446; 49 Stat. 239, 1850.

Adjustment of differences and claims arising out of contracts alleged to have been made under 1928 Act.

45 Stat. 692.

46 U. S. C. § 891e; Supp. III, § 891e.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 402 of the Merchant Marine Act, 1936, be hereby amended by adding thereto a new subsection (d) to read as follows:

"(d) Notwithstanding the provisions of the Acts making appropriation for the Treasury and Post Office Departments for the fiscal years ending June 30, 1934, June 30, 1935, June 30, 1936, and June 30, 1937, which were approved, respectively, March 3, 1933 (47 U. S. Stat. L. 1510), March 15, 1934 (48 U. S. Stat. L. 446), May 14, 1935 (49 U. S. Stat. L. 239), and June 23, 1936 (49 U. S. Stat. L. 1850), as soon as practicable after the enactment of this subsection, and within six months after its enactment, the Commission, in its discretion, may proceed to attempt to adjust all differences with the holder of any contract alleged to have been made by the Postmaster General pursuant to the provisions of the Merchant Marine Act of 1928 for the carriage of mail, in cases where a suit, pending in the Court of Claims at the time of the enactment of this subsection and based upon the alleged termination or breach of such contract, had been filed by such contractor prior to July 1, 1937, including any claims of the contractor against the United States and any claims of the United States against such contractor, arising out of said contract. In adjusting such differences and claims the Commission shall not take into consideration any prospective or speculative future profits, but shall consider any and all payments theretofore made by the United States pursuant to such mail contract, and the profits realized as a result thereof, and the interest paid and the interest due according to law

<sup>1</sup> So in original.

on construction loans, and all other facts deemed pertinent. If the contractor shall be willing to accept such determination and receive payment for the amount determined by the Commission to be a fair adjustment of such differences, the Commission is authorized and directed, concurrently with the dismissal of any suit based upon the alleged termination or breach of such contract filed by such contractor with prejudice and without costs, to enter into and execute a settlement agreement with such contractor, wherein such contractor shall release the United States from any and all claims arising from such contractor's mail contract: *Provided*, That the Attorney General of the United States shall review such settlement agreement, and if he is dissatisfied with such finding shall notify the Commission and the contractor in writing within sixty days and upon such notice the settlement agreement shall become null and void; otherwise the contractor shall be paid any sum of money due him under such settlement agreement out of such appropriation as the Congress may hereafter provide for this purpose from funds controlled by the Commission or from the general funds of the Treasury: *Provided*, That if any sum of money is payable to the contractor under the terms of any settlement agreement made pursuant to this subsection, such sums shall be applied (a) as a credit upon any amount owing by the contractor to the United States on any loan agreement entered into under section 11 of the Merchant Marine Act of 1920, as amended, or upon unpaid ship sales mortgage notes, (b) Federal taxes of the contractor due or to become due for the taxable year in which the settlement is made, and (c) on any other indebtedness of the contractor to the United States. If any such sums are applied as a credit as aforesaid, then the Comptroller General of the United States shall execute a discharge of the amount of such debts satisfied thereby. Nothing herein shall affect any right which such contractor may now have to maintain a suit arising out of such contract against the United States in the Court of Claims unless such suit is dismissed as provided herein: *Provided further*, That nothing herein shall be construed to affect any right or defense of any party in any suit pending in the Court of Claims: *And provided further*, That the enactment of this legislation shall not be considered or construed by the Commission or by any court as a legislative interpretation in favor of the validity or legality of any alleged contract involved in, or the basis of, any controversy or litigation, adjustment of which is permitted by this subsection."

Approved, June 1, 1938.

*Proviso.*  
Review by Attorney General; nullification of agreement.

Payment, if satisfactory.

*Provisos.*  
Application of sums payable to contractor as credit on construction loan, etc.

41 Stat. 993.  
46 U. S. C. § 870; Supp. III, § 870.  
Federal taxes.

Any other indebtedness to United States.

Right or defense in any suit pending in Court of Claims.  
Not to be construed as validating any alleged contract involved, etc.

## [CHAPTER 312]

### AN ACT

To amend section 5 of an Act entitled "An Act to provide for the construction and maintenance of roads, the establishment and maintenance of schools, and the care and support of insane persons in the district of Alaska, and for other purposes", approved January 27, 1905 (33 Stat. 616).

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the last three sentences of section 5 of the Act entitled "An Act to provide for the construction and maintenance of roads, the establishment and maintenance of schools, and the care and support of insane persons in the district of Alaska, and for other purposes", approved January 27, 1905 (33 Stat. 616), are hereby amended to read as follows:

"The Governor shall assign and set apart to each school district established and organized under the provisions of this section a sum, not less than \$300 nor more than \$1,000, in proportion to the number

June 1, 1938  
[H. R. 9722]  
[Public, No. 574]

Alaska, schools.

33 Stat. 619.  
48 U. S. C. § 168.

Funds for construction, etc.

Payment to territorial treasurer.

Wages of teachers.

Payment.

of pupils in the district, for the construction and equipment of a schoolhouse, which sum shall be paid by the Secretary of the Treasury to the treasurer of the Territory of Alaska upon the order and voucher of the Governor out of that portion of the said Alaska fund set apart for the establishment and maintenance of public schools. The residue of said portion of said fund, or so much thereof as may be necessary, shall by the Governor be apportioned among the several school districts established under the provisions of this section in amounts sufficient for each district to pay the wages of a teacher or teachers, together with the expense of fuel and light, supplies, and janitor service for nine months' school in each year. And the amounts so apportioned to each school district shall be paid to the treasurer of the Territory of Alaska by the Secretary of the Treasury upon the order and voucher of the Governor out of the said portion of said fund."

Approved, June 1, 1938.

#### [CHAPTER 315]

#### AN ACT

June 1, 1938  
[S. 3526]  
[Public, No. 575]

To refund sums paid by the railroads and other carriers of the United States under the Railroad Retirement Act of 1934.

Railroad Retirement Act of 1934.  
Refund of sums paid by railroads, etc., under.

48 Stat. 1283.  
45 U. S. C. §§ 201-214.

Time limitation on filing claims.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, including the balance remaining in the fund in the Treasury designated "Railroad Retirement Trust Fund", to the railroad companies and other carriers of the United States, their trustees or receivers, their proportionate share of a sum not to exceed \$139,000, in full settlement of all their claims against the United States for a refund of sums paid into the Treasury of the United States by order of the Railroad Retirement Board created by the Act of Congress of June 27, 1934, known as "Railroad Retirement Act", which Act was on May 6, 1935, declared unconstitutional by the Supreme Court of the United States.

SEC. 2. Claims for refund hereunder shall be filed within one year from the approval of this Act, and the Secretary of the Treasury may promulgate such rules and regulations as he deems necessary for carrying out the purpose of this Act.

Approved, June 1, 1938.

#### [CHAPTER 316]

#### AN ACT

June 1, 1938  
[H. R. 4352]  
[Public, No. 576]

To provide for the creation of the Saratoga National Historical Park in the State of New York, and for other purposes.

Saratoga National Historical Park, N. Y.  
Establishment, when title to lands is vested in United States.

Proviso.  
Inclusion of battlefield, etc.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That when title to all the lands, structures, and other property in the area at Saratoga, New York, whereon was fought the Battle of Saratoga during the War of the Revolution, shall have been vested in the United States, such area shall be, and it is hereby, established, dedicated, and set apart as a public park for the benefit and inspiration of the people and shall be known as the Saratoga National Historical Park: *Provided,* That such area shall include that part of the Saratoga Battlefield now belonging to the State of New York and any additional lands in the immediate vicinity thereof which the Secretary

of the Interior may, within six months after the approval of this Act, designate as necessary or desirable for the purposes of this Act.

SEC. 2. That the Secretary of the Interior be, and he is hereby, authorized to accept donations of land, interests in land, buildings, structures, and other property within the boundaries of said historical park as determined and fixed hereunder and donations of funds for the purchase or maintenance thereof, the title and evidence of title to lands acquired to be satisfactory to the Secretary of the Interior: *Provided*, That he may acquire on behalf of the United States, out of any donated funds, by purchase when purchasable at prices deemed by him reasonable, otherwise by condemnation under the provisions of the Act of August 1, 1888, such tracts of land within the said historical park as may be necessary for the completion thereof.

SEC. 3. That the administration, protection, and development of the aforesaid national historical park shall be exercised under the direction of the Secretary of the Interior by the National Park Service, subject to the provisions of the Act of August 25, 1916, entitled "An Act to establish a National Park Service, and for other purposes", as amended.

Approved, June 1, 1938.

Acceptance of donations, etc.

*Proviso.*  
Purchase of lands from donated funds.

25 Stat. 357.  
40 U. S. C. § 257.

Supervision by National Park Service.

39 Stat. 535.  
16 U. S. C. § 1.

#### [CHAPTER 317]

#### AN ACT

To provide for the purchase of public lands for home and other sites.

June 1, 1938

[H. R. 8008]

[Public, No. 577]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of the Interior, in his discretion, is authorized to sell or lease, to any person who is the head of a family, or who has arrived at the age of twenty-one years, and is a citizen of the United States, or who has filed his declaration of intention to become such a citizen, as required by the naturalization laws, a tract of not exceeding five acres of any vacant, unreserved, surveyed public land, or surveyed public land withdrawn or reserved by the Secretary of the Interior for any other purposes, or surveyed lands withdrawn by Executive Orders Numbered 6910 of November 26, 1934, and 6964 of February 5, 1935, for classification, which the Secretary may classify as chiefly valuable as a home, cabin, camp, health, convalescent, recreational, or business site in reasonably compact form and under such rules and regulations as he may prescribe, at a price to be determined by him, for such use: *Provided*, That no tract shall be sold for less than the cost of making any survey necessary to properly describe the land sold; that no person shall be permitted to purchase more than one tract under the provisions of this Act, except upon a showing of good faith and reasons satisfactory to the Secretary, and that patents for all tracts purchased under the provisions of this Act shall contain a reservation to the United States of the oil, gas, and other mineral deposits, together with the right to prospect for, mine, and remove the same under such regulations as the Secretary may prescribe<sup>1</sup>: *Provided further*, That this Act shall not apply to any lands in the Territory of Alaska.

Public lands.  
Sale or lease for home, etc., sites authorized.

Classification of lands.

Price.  
*Provisos.*  
Purchase restrictions.

Mineral, etc., reservation.

Not applicable to Alaska.

<sup>1</sup> So in original.



## [CHAPTER 318]

## JOINT RESOLUTION

June 1, 1938  
[H. J. Res. 622]  
[Pub. Res., No. 102]

Authorizing the President of the United States of America to proclaim October 11, 1938, General Pulaski's Memorial Day for the observance and commemoration of the death of Brigadier General Casimir Pulaski.

General Pulaski's  
Memorial Day.  
President author-  
ized to invite observ-  
ance.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the President of the United States is authorized to issue a proclamation calling upon officials of the Government to display the flag of the United States on all governmental buildings on October 11, 1938, and inviting the people of the United States to observe the day in schools and churches, or other suitable places, with appropriate ceremonies in commemoration of the death of General Casimir Pulaski.

Approved, June 1, 1938.

## [CHAPTER 319]

## AN ACT

June 3, 1938  
[S. 3843]  
[Public, No. 578]

To remove certain inequitable requirements for eligibility for detail as a member of the General Staff Corps.

National Defense  
Act, amendments.  
39 Stat. 167; 41 Stat.  
762.  
10 U. S. C. § 22.

General Staff Corps.  
Composition.

General Staff with  
troops.

Detail in peace time,  
duration.

Eligibility require-  
ments, certain rescind-  
ed.  
39 Stat. 167; 42 Stat.  
1032.  
10 U. S. C. §§ 26, 30.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the first paragraph of section 5 of the National Defense Act of June 3, 1916 (39 Stat. 166), as amended by the Act of June 4, 1920 (41 Stat. 759), be, and the same is hereby, amended to read as follows:

"SEC. 5. GENERAL STAFF CORPS.—The General Staff Corps shall consist of the Chief of Staff, the War Department General Staff, and the General Staff with troops. The War Department General Staff shall consist of the Chief of Staff and four assistants to the Chief of Staff selected by the President from the general officers of the line, and eighty-eight other officers of grades not below that of captain. The General Staff with troops shall consist of such number of officers not below the grade of captain as may be necessary to perform the General Staff duties of the headquarters of territorial subdivisions<sup>1</sup>, appropriate installations, General Headquarters, armies, army corps, divisions, General Headquarters Air Force, brigades, and similar units, and as military attachés abroad. In time of peace the detail of an officer as a member of the General Staff Corps shall be for a period of four years, unless sooner relieved."

SEC. 2. That the second paragraph of section 5 of the National Defense Act of June 3, 1916 (39 Stat. 166), as amended by the Act of September 22, 1922 (42 Stat. 1032), be, and the same is hereby, rescinded.

Approved, June 3, 1938.

## [CHAPTER 320]

## JOINT RESOLUTION

June 3, 1938  
[H. J. Res. 693]  
[Pub. Res., No. 103]

Making an appropriation to aid in defraying expenses of the observance of the seventy-fifth anniversary of the Battle of Gettysburg.

Battle of Gettys-  
burg anniversary.  
Appropriation to  
aid in defraying ex-  
penses of observance.

49 Stat. 1916.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That to enable the Secretary of War, under the direction of the Commission established by the joint resolution entitled "Joint resolution for the establishment of a commission in commemoration of the seventy-fifth anniversary of the Battle of Gettysburg in 1938", approved June 24, 1936, to carry into effect the provisions of the Act entitled "An Act to authorize an

<sup>1</sup> So in original.

appropriation to aid in defraying the expenses of the observance of the seventy-fifth anniversary of the Battle of Gettysburg, to be held in Gettysburg, Pennsylvania, from June 29 to July 6, 1938", approved May 16, 1938, including the operation, maintenance, repair, rent, or, if necessary, purchase of automobiles, the reimbursement of other appropriations of the War Department for expenditures which may have been made therefrom in preparation for such celebration, and for any other contingencies and unforeseen expenses which the Secretary of War shall consider necessary and proper, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$900,000, to remain available until June 30, 1939: *Provided*, That the leaders and members of the Army Band may be allowed not to exceed \$5 per day each for actual living expenses while on duty in connection with such celebration and the payment of such expenses shall be in addition to the pay and allowances to which they would be entitled while serving at their permanent station: *Provided further*, That the Secretary of War shall make a detailed report to Congress of the expenditures hereunder.

Approved, June 3, 1938.

*Ante*, p. 354.

Automobiles.  
Reimbursement of  
other appropriations.

Contingent, etc., ex-  
penses.

Availability of ap-  
propriation.  
*Proviso*.  
Army Band, allow-  
ances for living ex-  
penses.

Report of expendi-  
tures to Congress.

#### [CHAPTER 321]

#### AN ACT

To provide for the examination and licensing of those engaging in the practice of cosmetology in the District of Columbia.

June 7, 1938  
[H. R. 6839]  
[Public, No. 579]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### DEFINITIONS

SECTION 1. That the following words or phrases, unless the context clearly indicates otherwise, shall have the meanings ascribed to them in this section:

(a) The word "cosmetology", as used in this Act, shall be defined and construed to mean any one or any combination of practices generally and usually, heretofore and hereafter, performed by, and known as the occupation of, beauty culturists, or cosmeticians, or cosmetologists, or hairdressers, or of any other person holding him or herself out as practicing cosmetology by whatever designation and within the meaning of this Act and in and upon whatever place or premises; and in particular "cosmetology" shall be defined and shall include, but otherwise not be limited thereby, the following or any one or a combination of practices, to wit: Arranging, dressing, styling, curling, waving, cleansing, cutting, removing, singeing, bleaching, coloring, or similar work, upon the hair of any person by any means, and with hands or mechanical or electrical apparatus or appliances, or by the use of cosmetic preparations, antiseptics, tonics, lotions, or creams, massaging, cleansing, stimulating, exercising, beautifying, or similar work, the scalp, face, neck, arms, bust, or upper part of the body, or manicuring the nails of any person, exclusive of such of the foregoing practices as come within the scope of the Healing Arts Practice Act in force in the District of Columbia at the time of the passage of this Act.

(b) Any place or premises, or part thereof, wherein or whereupon cosmetology or any of its practices are followed or taught, or any person therein or thereabouts practicing cosmetology, whether such place is known or designated as a cosmetician, cosmetological or beauty shop, establishment, or school or whether the person is known or holds him or herself out as a cosmetician, cosmetologist, or beauty

District of Colum-  
bia, cosmetology.  
Definitions.

"Cosmetology."

Practices included.

45 Stat. 1326.  
20 D. C. Code, ch. 2.

Beauty shops, etc.,  
subject to provisions  
of Act.

	culturist, or by any other name or designation indicating that cosmetology is practiced or taught, shall be subject to the provision and within the meaning of this Act. For the purpose of this Act such place shall hereinafter be considered and referred to as a beauty shop or school of cosmetology, as the case may be, and the person practicing cosmetology therein, as a cosmetologist: <i>Provided, however,</i> That any appropriate name herein mentioned may be used, but shall be displayed upon or over the entrance door or doors of such place designating it as a beauty shop or school of cosmetology within the meaning of this Act.
<i>Proviso.</i> Display of name upon entrance door, etc.	
Apprentice or student.	(c) A person who is engaged in learning or acquiring any or all practices of cosmetology, and while so learning, performs or assists in any of the practices of cosmetology, under the immediate supervision of a registered or licensed practitioner or instructor of cosmetology, shall be known as an apprentice or student of cosmetology and hereinafter referred to as a student.
Operator.	(d) Any person, not an apprentice or a student, following or practicing cosmetology, not owning or managing a beauty shop or school of cosmetology, shall be known as an operator cosmetologist and hereinafter referred to as an operator.
Manager.	(e) Any person, being an operator, and managing, conducting, or owning a beauty shop or school of cosmetology, shall be known as a manager or managing cosmetologist and hereinafter referred to as a manager.
Instructor.	(f) Any person being an operator and teaching cosmetology or any practices thereof in a school of cosmetology shall be known as an instructor of cosmetology and hereinafter referred to as an instructor.
Manicurist.	(g) Any person who engages only in the practice of manicuring the nails of any person shall be known as and hereinafter referred to as a manicurist.
Demonstrator.	(h) The agent or employee of any manufacturer of beauty shop and cosmetological products and equipment employed by the said manufacturer for the purpose of conducting sales demonstrations, lectures, or expositions shall be known as a demonstrator and hereinafter referred to as such.
"Board."	(i) Whenever the word "Board" shall appear or be used, it shall mean and refer to the Board of Cosmetology as hereinafter provided.
Board of Cosmetology.	
Creation, membership, etc.	
Qualifications.	
Terms.	
Vacancies.	
Removals.	

#### BOARD OF COSMETOLOGY

SEC. 2. (a) There is hereby created the District of Columbia Board of Cosmetology, consisting of three members to be appointed by the Commissioners of the District of Columbia within thirty days after this Act becomes effective. Each member of the Board shall be at least twenty-five years of age, shall have had at least five years' practical experience in the practices of cosmetology, shall be a citizen of the United States, and a resident of the District of Columbia. No member of the Board shall be a member of nor affiliated with any school of cosmetology while in office, nor shall any two members of said Board be graduates of the same school.

(b) Each member of the Board shall serve a term of three years, and until his or her successor is appointed and qualified, except in the case of the first Board whose members shall serve one, two, and three years, respectively. The members of the Board shall take the oath provided for public officers. Vacancies shall be filled by the Commissioners of the District of Columbia for the unexpired portion of the term of a member caused by death, resignation, or otherwise. The said Commissioners are hereby empowered to remove, after full hearing, any member of the Board for neglect of duty or any other just cause.

(c) The members of the Board shall, annually, elect from among their number a president and also a treasurer, and shall annually appoint a secretary, who shall not be a member of the Board. The compensation of the Secretary, to be fixed by the Board, shall not exceed the sum of \$3,000 per year, and shall be paid out of the funds received by it, and no part of such compensation shall be paid otherwise by the District of Columbia. Said Board shall have a common seal, and the said treasurer shall give such bond for the faithful performance of his duties as the Commissioners of the District of Columbia may deem necessary. Two members of the Board shall constitute a quorum.

(d) The Board shall meet in the District of Columbia not less than four times during the year and at such other times as the Board may deem advisable.

(e) The Board shall keep a record of its proceedings. It shall keep a register of applicants for certificates or licenses showing the name of the applicant, the name and location of his place of occupation or business, and whether the applicant was granted or refused a certificate or license. The books and records of the Board shall be prima-facie evidence of matters therein contained, shall constitute public records, and shall at all reasonable times be open for public inspection.

#### REGULATION BY THE BOARD

SEC. 3. The Board is hereby empowered to make and enforce such rules and regulations, subject to the approval of the Commissioners of the District of Columbia, as it deems necessary to carry out the provisions of this Act.

#### POWERS AND DUTIES OF THE BOARD

SEC. 4. The Board shall have the power to refuse, revoke, or suspend licenses or certificates, after full hearing, on proof of violation of any provisions of this Act or the rules and regulations established by the Board under this Act, and shall have the power to require the production of such books, records, and papers as it may desire. Before any certificate shall be suspended or revoked for any of the reasons contained in this section, the holder thereof shall have notice, in writing, of the charge or charges against him or her, and shall, at a day specified in said notice, which shall be at least five days after the service thereof, be given a public hearing with a full opportunity to produce testimony in his or her behalf. Any person whose certificate of registration has been so suspended or revoked may, after the expiration of ninety days, on application to the Board, have the same reissued to him or her upon satisfactory proof that the disqualification has ceased.

#### APPEAL FROM ACTION OF THE BOARD

SEC. 5. An appeal may be taken from any action of the Board to the Commissioners of the District of Columbia and the decision of the said Commissioners shall be final.

#### PRACTICE OF COSMETOLOGY WITHOUT REGISTRATION PROHIBITED

SEC. 6. It shall be unlawful for any person in the District of Columbia to practice or teach cosmetology or manage a beauty shop, or to use or maintain any place for the practice or teaching of cosmetology for compensation, unless he or she shall have first obtained from the Board a certificate of registration as provided in this Act. Nothing contained in this Act, however, shall apply to or affect any person who is now actually engaged in any such occupation, except as hereinafter provided.

Annual election of president and treasurer.

Secretary, appointment, compensation.

Seal.

Treasurer's bond.

Quorum.

Meetings.

Records, etc.

Regulations.

Powers and duties of Board.

Suspension or revocation of certificates, procedure.

Appeal from action of Board.

Practice of cosmetology without registration prohibited.

Exemption of those now actually engaged; exception.

## REQUIREMENTS TO PRACTICE

Requirements to practice.

SEC. 7. Before any person may practice or teach cosmetology or manage a beauty shop, such person shall file with the Board a written application for registration, accompanied by a health certificate issued by a registered licensed physician of the District of Columbia, under oath, on a form which shall be prescribed and supplied by the Board, and such applicant shall submit satisfactory proof of the required age, educational qualifications, and be of good moral character, shall deposit with the said Board the registration fee, and pass an examination as to fitness to practice or teach cosmetology or manage a beauty shop, as hereinafter provided in this Act.

Registration fee; examination as to fitness.

## ELIGIBILITY REQUIREMENTS FOR EXAMINATION

Eligibility requirements for examination.

SEC. 8. No person shall be permitted by the Board to take an examination to receive a certificate as an operator unless such person shall be at least sixteen years of age, of good moral character, has received an education equivalent to the completion of the eighth grade of elementary school, and either has been registered as a student and has had training, as hereinafter provided in this Act, in a school of cosmetology duly registered by the Board or has been registered and served as an apprentice at least eight months as hereinafter provided in this Act: *Provided, however,* That the Board may permit a person to take an examination without the prior studentship or apprenticeship herein required if such person shall establish, to the satisfaction of the Board, that he or she has been an operator in the active practice of cosmetology for at least twenty-four months within the five years next preceding the effective date of this Act. No person shall be permitted to take an examination for a certificate to teach cosmetology or act as manager of a beauty shop unless such person shall be at least eighteen years of age, of good moral character, has received an education equivalent to the completion of the eighth grade of elementary school, and either has had at least three years' experience as an operator in a beauty shop or has served as such operator in a registered beauty shop for a period of not less than six months and shall have a training in a registered school of cosmetology of not less than two thousand hours, including the hours of study necessary to become an operator. The sufficiency of the qualifications of applicants for admission to the examination or for registration shall be determined by the Board, but the Board may delegate the authority to determine the sufficiency of such requirements to the secretary of the Board, subject to such provisions as the Board shall make for appeal to the Board.

Student training.

Apprenticeship service.

*Proviso.*  
Waiver provision.

Age, character, education, etc.

Determination of qualifications.

## LIMITED CERTIFICATES

Limited certificates.

SEC. 9. A limited certificate of registration to manicure the nails only may be applied for and granted under all of the terms and conditions of this Act, except that the examination therefor may be limited to such practice only and the required schooling shall be not less than one hundred hours. A limited certificate of registration for any one or a combination of practices as license is applied for may be granted under all of the terms and conditions of this Act, except that the examination therefor shall be limited to the subjects in question, and a proportionate number of hours of training as determined by the Board shall be required.

Schools of cosmetology.  
Requirements.  
Personnel of staff.

## REQUIREMENTS OF A SCHOOL OF COSMETOLOGY

SEC. 10. No school of cosmetology shall be granted a certificate of registration unless it shall attach to its staff as a consultant a person licensed by the District of Columbia to practice medicine and surgery

or osteopathy and surgery and employ and maintain a sufficient number of competent instructors, registered as such, and shall possess apparatus and equipment sufficient for the proper and full teaching of all subjects of its curriculum which shall be as prescribed by the Board; shall keep a daily record of the attendance of each student, maintain regular class and instruction hours, establish grades, and hold examinations before issuance of diplomas; and shall require a school term of training of not less than one thousand five hundred hours within a period of not less than eight months for a complete course comprising all or the majority of the practices of cosmetology as provided in this Act; and to include practical demonstrations and theoretical studies and study in sanitation, sterilization, and the use of antiseptics, cosmetics, and electrical appliances consistent with the practical and theoretical requirements as applicable to cosmetology or any practice thereof, as provided in this Act. In no case shall there be less than one instructor to each twenty-five pupils. Any person, firm, or corporation teaching any or all practices of cosmetology shall be required to comply with all provisions applying to schools of cosmetology within the meaning of this Act.

Equipment.

Student regulations.

Demonstrations,  
studies, etc.Compliance with  
provisions required.

#### STUDENT PRACTICE UPON THE PUBLIC FOR PAY PROHIBITED

SEC. 11. It shall be unlawful for any school of cosmetology to permit its students to practice cosmetology upon the public under any circumstances except by way of clinical work upon persons willing to submit themselves to such practice after having first been properly informed that operator is a student. No school of cosmetology shall, directly or indirectly, charge any money whatsoever for treatment by its students or for materials used in such treatment, until such student shall have at least five hundred hours of training.

Student practice upon  
the public for pay  
prohibited; exception.

Charges.

#### PRACTICE IN BEAUTY SHOPS ONLY

SEC. 12. It shall be unlawful for any person to practice cosmetology for pay in any place other than a registered beauty shop: *Provided*, That a registered operator may in an emergency furnish cosmetological treatments to persons in the permanent or temporary residences of such persons by appointment. Every beauty shop shall have a manager, who shall have immediate charge and supervision over the operators practicing cosmetology.

Practice in beauty  
shops only.*Provided*.  
Emergencies.

Supervision.

#### EXCEPTIONS TO EXAMINATION REQUIREMENTS; PRESENT STUDENTS AND APPRENTICES

Present students  
and apprentices.

SEC. 13. The Board may issue the certificate of registration required by this Act without an examination or compliance with the other requirements as to age or education to any person who has practiced or taught cosmetology or acted as a manager of a beauty shop or school of cosmetology in the District of Columbia for at least six months immediately prior to the passage of this Act: *Provided*, That such person shall make application to the Board for a certificate of registration within ninety days after the effective date of this Act. Such application shall be accompanied by an affidavit of a registered licensed physician that the applicant was examined and is free from all contagious and infectious diseases and the registration fee required by this Act. Any person studying cosmetology in a school of cosmetology or as an apprentice in a beauty shop in the District of Columbia at any time this Act goes into effect shall receive credit for such time and studies without complying with the requirements of this Act as to age and preliminary education: *Provided*, That such person shall make application to the Board for registration as a student or apprentice within three months after

Exceptions to exam-  
ination requirements.*Provided*.  
Applications for cer-  
tificates.Credits for time and  
studies to be given.

Time limitation.

Graduates of registered schools, temporary permits.

this Act goes into effect. Students, upon graduating from registered schools of cosmetology, may apply for and receive from the Board a temporary permit to practice as an operator until the next regular examination held by the Board under the provisions of this Act.

Apprentices in beauty shops.

#### APPRENTICES IN BEAUTY SHOPS

Instruction by owner, etc.  
*Proviso.*  
Conditions prescribed.

SEC. 14. Any cosmetologist who is a beauty-shop owner and who is a holder of a teacher's certificate may instruct apprentices: *Provided*, That there shall be no less than three licensed operators for each apprentice in any shop and there shall be no more than two apprentices in any shop, and provided such shop is not held out as a school of cosmetology. Such apprentices may apply for examination at the end of their apprenticeship at the next regular examination held by the Board and, if successful therein, shall be registered as operators. Registered apprentices, upon completion of their required term of apprenticeship, may apply for and receive from the Board a temporary permit to practice as an operator until the next regular examination.

Demonstrators.

#### DEMONSTRATORS

Issuance of permits to manufacturers' agents to conduct sales demonstrations, etc.

SEC. 15. The agents or employees of manufacturers of beauty-shop and cosmetological products and equipment employed by the said manufacturers for the purpose of conducting sales demonstrations, lectures, or expositions shall be required to register with the Board within three days after such employment. The Board shall issue permits to such agents or employees for the purpose of permitting such persons to conduct sales demonstrations, lectures, and expositions of beauty-shop and cosmetological products and equipment upon the payment of the required fee: *Provided, however*, That no charge of any kind, whether for materials used or services rendered, shall be made by the manufacturer, his agent or employee, for said services rendered or said materials used in connection with or incidental to the conduct of such sales demonstration, lecture, or exposition. In the event of the termination of the employment of such agent or employee referred to in this section, the said employer herein referred to shall immediately report such fact to the Board, and the permit of such person shall thereupon be canceled and voided. No person canvassing the residents of the District of Columbia, in connection with the advertisement or sale or both of cosmetological products or equipment, shall be permitted to give practical demonstration of such products or equipment unless each such person or his agent shall first have procured from the Board a certificate of registration and a license so to demonstrate upon the payment of the required fee as hereinafter provided.

*Proviso.*  
No charge for materials or services.

Report of termination of employment.

Demonstrations by canvassers.

Reciprocity.

#### RECIPROCITY

States, etc., wherein requirements are substantially equal.

SEC. 16. The Board may dispense with examinations of applicants as provided in this Act and may grant a certificate of registration as provided in this Act in all cases where such applicants have complied with the requirements of another State, territory or foreign country, state, or province, wherein the requirements for registration are substantially equal to those in force in the District of Columbia at the time of filing application for such certificate, or upon due proof that such applicant has continuously engaged in the practices or occupation for which a license is applied for at least five years immediately prior to such application and upon the payment of the required fee.

## CERTIFICATES OR LICENSES

SEC. 17. If an applicant to examination to practice cosmetology passes such examination to the satisfaction of the Board, and has paid the required fee, and otherwise complies with the requirements provided in this Act, or an applicant otherwise for registration, has paid the required fee and complies with the requirements for registration as provided in this Act, the Board shall issue a certificate or license, as the case may be, to that effect, signed by the president and secretary of the Board and attested by its seal. Such certificate or license shall be evidence that the person to whom it is issued is entitled to follow the practices, occupation, or occupations as an operator, manager, or instructor, or own and maintain a beauty shop or school of cosmetology as stipulated therein and as prescribed in this Act. Such certificate or license shall be conspicuously displayed in his or her principal office, place of business, or employment.

Certificates or licenses.

Issuance to applicants complying with designated requirements.

Display.

## EXAMINATIONS

SEC. 18. The examination of applicants for a license to practice under this Act shall be conducted under the rules prescribed by the Board, and shall include both practical demonstrations and written or oral tests in reference to the practices for which a license is applied for and such related studies or subjects as the Board may determine necessary for the proper and efficient performance of such practices; and shall not be confined to any specific system or method; and such examination shall be consistent with a prescribed curriculum for a beauty school or school of cosmetology and the practical and theoretical requirements of the occupation of cosmetology as provided by this Act. The Board shall hold public examinations on the second Tuesdays in January, April, July, and October in the District of Columbia, at such hours as the Board shall prescribe. The Commissioners of the District of Columbia are hereby authorized and directed to provide suitable quarters for such examinations.

Examinations.

Rules; subject matter.

Dates for holding public examinations.

## FEES

SEC. 19. The initial registration fee for the issuance of a license, with or without examination, shall be as follows: \$10 for owners, managers, and instructors; \$5 for operators; \$3 for manicurists; and \$100 for schools of cosmetology. Annual renewal fees shall be \$5 for owners, managers, and instructors; \$3 for operators; \$2 for manicurists; and \$50 for schools of cosmetology. The fee for a temporary certificate for a student or an apprentice shall be \$2. For the issuance of a certificate to a sales demonstrator or lecturer or to an itinerant demonstrator, canvassing the residents of the District of Columbia, the fee shall be \$5. For the issuance of a certificate without examination to operators or instructors licensed in jurisdictions meeting the requirements of the District of Columbia, or to those who furnish satisfactory proof that they have been engaged elsewhere in the occupation of cosmetology for a period of five years, the initial fee for a certificate of registration shall be \$15. On failure to pass an examination the fees shall not be returned to the applicant but within the year after such failure he or she may present himself or herself and be again examined without the payment of an additional fee. Out of the fees paid the Board there shall be defrayed all expenses incurred in carrying out the provisions of this Act, together with a fee of \$10 per day for each member of the Board and the actual and necessary expenses incurred for each day he may

Fees.

Sales demonstrators, etc.

Operators licensed elsewhere meeting D. C. requirements.

Provisions on failing to pass examination.

Deduction for expenses.



*Provisos.*  
*Limitation.*  
*Deposit of excess funds.*

be actually engaged upon business pertaining to his official duties as such Board member: *Provided*, That such expenses shall in no event exceed the total of receipts: *Provided further*, That at the close of each fiscal year any funds unexpended in excess of the sum of \$1,000 shall be paid into the Treasury of the United States to the credit of the District of Columbia.

*Persons called to aid of Board.*

#### PERSONS CALLED TO AID OF BOARD

*Conducting examinations, etc.*

*Compensation.*

SEC. 20. The Board may call to its aid any person or persons of established reputation and known ability in the practices as provided in this Act for the purpose of conducting examinations, inspections, and investigations of any or all persons, firms, or corporations affected by this Act. Such aid or aids shall not be connected with any school teaching cosmetology. Any person called by the Board to its aid as provided herein shall receive for his or her services not more than \$10 for each day employed in the actual discharge of his or her official duties, and his or her actual and necessary expenses incurred, to be paid in the same manner as herein provided for the payment of compensation and expenses of members of the Board.

*Sanitary rules.*

#### SANITARY RULES

*Enforcement by Health Department.*

*Use of shop for residential, etc., purposes forbidden.*

*Unlawful establishments.*

*Provisos.*  
*Outside practice.*

*Existing sanitary, etc., rules not repealed.*

SEC. 21. The sanitary regulations for the control of beauty shops and manicuring establishments in the District of Columbia shall be such as are now in force or which may from time to time be promulgated by the Health Department of the District of Columbia, which said Department shall have full and complete charge of the enforcement of said sanitary regulations. It shall be unlawful for the owner or manager of any beauty shop or school of cosmetology to permit any person to sleep in or use for residential purposes any room used wholly or in part as a beauty shop or school of cosmetology. It shall be unlawful for any person, firm, or corporation to practice cosmetology except in a bona-fide established beauty shop or school of cosmetology, wherein the requirements of the Board as to proper, sanitary, and exclusive practices of cosmetology are complied with: *Provided, however*, That a person may practice outside of such establishment under the direction and control of an owner or manager thereof under such regulations as the Board may provide: *Provided further*, That nothing in this Act contained shall be construed to limit or repeal any existing rules, regulations, or laws relating to health or sanitation.

#### HEARING MAY BE HELD BY ANY MEMBER

*Hearing may be held by any member.*

SEC. 22. Any investigation, inquiry, or hearing which the Board is empowered by law to hold or undertake may be held or undertaken by or before any member or members of said Board and shall be deemed to be the finding or order of said Board when approved and confirmed by it.

#### TEMPORARY LICENSES

*Temporary licenses.*

*Proviso.*  
*Examination, fees.*

*Duration.*

SEC. 23. The Board may issue a temporary license to any person who otherwise is subject to examination, as provided in this Act, upon documentary or other satisfactory evidence that the applicant therefor has the necessary qualifications to practice any one or any combination of practices of cosmetology for which a temporary license is applied for: *Provided, however*, That such application for a temporary license is accompanied by an application for an examination as provided in this Act and the necessary fee therefor and a fee of \$2 for such temporary license. Such temporary license shall remain in force until the next regular meeting of the Board at which exami-

nations are held and no longer. Two such temporary licenses may not be issued to the same person. Each temporary license shall state the date of expiration and the temporary license shall after such date be void and of no effect.

#### TO WHOM THE PROVISIONS OF THIS ACT SHALL NOT APPLY

SEC. 24. Nothing in this Act shall prohibit service in case of emergency; or domestic administration, without compensation, nor services by persons authorized under the laws of the District of Columbia to practice medicine, surgery, dentistry, chiropody, osteopathy, or chiropractic, nor services by barbers, insofar as their usual and ordinary vocation and profession is concerned, when engaged in any of the following practices, namely: Arranging, cleansing, cutting, or singeing the hair of any person; nor in massaging, cleansing, stimulating, exercising, or similar work, the scalp, face, or neck of any person, with the hands, or with mechanical or electrical apparatus or appliances, or by the use of cosmetic preparations, antiseptics, tonics, lotions, or creams; nor shall anything in this Act apply to the practice of physiotherapy or massaging, stimulating or exercising of the head, neck, arms, bust or upper part of the body, when done for purposes of health and hygiene rather than for cosmetic purposes.

Exemptions from provisions of Act.

#### RENEWAL OF CERTIFICATES

SEC. 25. The certificates of registration issued in the year in which this Act goes into effect shall expire as of April 15, 1938. Thereafter certificates shall be issued for no longer than one year. All certificates shall expire on the 15th day of April next succeeding unless renewed for the next year. Certificates may be renewed by application made prior to the 15th day of April of each year accompanied by a health certificate in the manner prescribed in section 7 and the payment of the renewal fees provided in this Act. The holder of an expired certificate or license may have within three years of the date of expiration the certificate restored upon the payment of the required renewal fee and satisfactory proof of his or her qualifications to assume practice or occupation.

Renewal of certificates.

Expiration date.

Act, p. 614.

#### PENALTIES

SEC. 26. (a) Any person who shall violate or aid or abet in violating any of the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction shall be punished by a fine of not more than \$300 or imprisonment in the workhouse of the District of Columbia for not more than six months, or by both such fine and imprisonment.

Penalties.

Violations of provisions of Act.

(b) Any operator, manager, instructor, student, or apprentice who shall practice the occupation of cosmetology while knowingly suffering from contagious or infectious disease, or who shall knowingly serve any person afflicted with such disease, shall be guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not more than \$300 or imprisonment in the workhouse of the District of Columbia for not more than six months, or by both such fine and imprisonment.

Practice while suffering contagious disease.

#### PROSECUTIONS

SEC. 27. It shall be the duty of the corporation counsel, or one of his assistants, to prosecute in the name of the District of Columbia all violations of the provisions of this Act.

Prosecutions.

## EFFECT OF PARTIAL INVALIDITY OF ACT

Separability provision.

SEC. 28. Each section of this Act, and every part of each section, is hereby declared to be independent of every other, and the holding of any section or part thereof to be void or ineffective for any cause shall not be deemed to affect any other section or part thereof.

## REPEAL

Inconsistent laws repealed.

SEC. 29. All Acts or parts of Acts inconsistent with this Act are hereby repealed.

Approved, June 7, 1938.

## [CHAPTER 322]

## AN ACT

To regulate barbers in the District of Columbia, and for other purposes.

June 7, 1938  
[H. R. 7085]  
[Public, No. 580]

District of Columbia Barber Act.

Definitions.

"Board."

"Certificate."

"Commissioners."

"Barber instructor."

"Barbering."

Practices included.

Board of Barber Examiners created; number, qualifications, etc.

Recommendations.

Appointments; terms.

Removal power of Commissioners.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the District of Columbia Barber Act.

SEC. 2. When used in this Act—

(a) The term "Board" means the Board of Barber Examiners for the District of Columbia.

(b) The term "certificate" means a certificate of registration issued by the Board.

(c) The term "Commissioners" means the Commissioners of the District of Columbia.

(d) The term "barber instructor" means the teaching of the barber profession as provided for in this Act.

(e) The term "barbering" means any one or any combination of the following practices when done upon the head and neck for cosmetic purposes and not for the treatment of disease or physical or mental ailments and when done for payment either directly or indirectly or without payment for the public generally constitutes the practice of barbering within the meaning of this Act.

To shave, trim the beard, cut or bob the hair of any person of either sex for compensation or other reward, received by the person performing such service or any other person, to give facial and scalp massages or treatments with oils, creams, lotions, or other preparations either by hand or mechanical appliances; to singe, shampoo the hair, or apply hair tonics; or to apply cosmetic preparations, antiseptics, powders, oils, clays, or lotions to scalp, face, or neck.

SEC. 3. There is hereby created a Board of Barber Examiners for the District of Columbia. The Board shall consist of three members, two of whom shall be practical barbers who have followed the practice of barbering in the District of Columbia for at least five years immediately prior to his appointment. One of said members shall be recommended by the Journeymen Barbers' Union, one of said members be recommended by the Associated Master Barbers of the District of Columbia. The members of the Board shall be appointed by the Commissioners of the District of Columbia, one for the term of one year, one for the term of two years, and one for the term of three years. Thereafter one member of said Board shall be appointed each year for the term of three years and shall hold office until his successor is appointed and qualified.

The Commissioners of the District of Columbia shall have the power to remove any member of said Board for incompetency, gross immorality, disability, for any abuse of his official power, or for

other good cause, and shall fill any vacancy thus occasioned by appointment within thirty days after such vacancy occurs. Members appointed to fill vacancies caused by death, resignation, or removal shall serve only for the unexpired term of their predecessors. The Commissioners shall appoint a president, a vice president, and a secretary-treasurer from the members of the Board.

The secretary of the Board shall keep a record of its proceedings, a register showing the name and business and residence addresses of persons to whom it has issued certificates, and the number and date of the certificate of each such person. Subject to the approval of the Commissioners, the Board shall adopt such rules and sanitary regulations as prescribed by the Health Department of the District of Columbia and as are necessary to carry out the provisions of this Act. The Board shall report annually to the Commissioners all of its official acts during the preceding year and shall make such recommendations as it deems expedient.

SEC. 4. The Board shall issue a certificate of registration as a registered barber to any person of good moral character and temperate habits who has practiced as a registered barber apprentice for two years under the immediate personal supervision of a registered barber, and who passes an examination, conducted by the Board to determine his fitness to practice barbering, accompanied by a health certificate showing that he is free from contagious and infectious diseases and issued by a registered licensed physician of the District of Columbia under oath.

SEC. 5. The Board shall issue a certificate of registration as a registered barber apprentice to any person who is at least sixteen years of age and is of good moral character and temperate habits who passes an examination conducted by the Board to determine his fitness to practice as a barber apprentice, accompanied by a health certificate showing that he is free from contagious and infectious diseases and issued by a registered licensed physician of the District of Columbia under oath.

SEC. 6. The Board shall conduct examinations of applicants for certificates of registration as registered barbers or registered barber apprentices on the third Tuesdays in January, April, July, and October, at such hours as the Board shall prescribe. Such examinations shall include both a practical demonstration and a written examination.

SEC. 7. Any person who has engaged in the practice of barbering in the District of Columbia for one year immediately preceding the date of enactment of this Act shall be granted a certificate as a registered barber without practical examination by making application, accompanied by a health certificate showing that he is free from contagious and infectious diseases and issued by a registered licensed physician of the District of Columbia under oath, and paying the required fee within ninety days of enactment of this Act; failing to do so, he must take an examination according to the law; and any other person engaged in the practice of barbering in the District of Columbia on the date of enactment of this Act shall be granted a certificate as a registered barber apprentice without examination by making application and paying the required fee, and the time spent engaged in the practice of barbering shall be credited to him as a part of the time required to be spent as a registered barber apprentice for the purpose of qualifying as a registered barber, but must be accompanied by a health certificate showing that he is free from contagious and infectious diseases and issued by a registered licensed physician of the District of Columbia under oath.

Appointments to vacancies.

Officers.

Records to be kept.

Rules and sanitary regulations.

Annual report, etc.

Certificates of registration.  
Registered barbers.

Health certificate.

Registered barber apprentice.

Examinations of applicants.

Exceptions to examination requirements.

Health certificate.

Payment of fee.

Registered barber apprentices.

Time credits.

Display of certificates.

Renewals of certificates.

Grounds for refusal to issue, renew, etc., certificates.

Appeal from action of Board.

Court review.

Fees and refunds.

Quarters for examinations and equipment.  
Compensation of members of Board; expenses.

Clerk and inspectors.

Provisions.  
Limitation on payments.  
Deposit of excess funds.

No Federal, etc., expense.

Barber school or college requirements.

SEC. 8. The certificate of a registered barber or a registered barber apprentice shall be displayed in a conspicuous place near the work chair of the holder when he is engaged in the practice of barbering.

SEC. 9. Certificates issued by the Board shall be renewed annually upon application to the Board by the holder of the certificate. The Board shall renew or restore certificates which have expired upon application and payment of the required fee, accompanied by a health certificate annually, showing that applicant is free from contagious and infectious diseases.

SEC. 10. The Board may refuse to issue, renew, restore, or may revoke a certificate for habitual drunkenness or habitual addiction to the use of morphine, cocaine, or any other habit-forming drug or for the violation of any of the provisions of this Act, but such action may be taken by the Board only after notice, and an opportunity for a full hearing is given to the person affected thereby.

An appeal may be taken from any action of the Board to the District Court of the United States for the District of Columbia. The judgment of such court shall be final, subject to review by the United States Court of Appeals for the District of Columbia.

SEC. 11. All fees and charges payable under the provisions of this Act shall be paid to the secretary-treasurer of the Board. The Board is hereby authorized to refund any license fee or tax, or portion thereof, erroneously paid or collected under this Act.

(a) For the examination of an applicant for a certificate as a registered barber, \$5.

(b) For the issuance or renewal of such certificate, \$5.

(c) For the restoration of an expired certificate as a registered barber, \$5.

(d) For the examination of an applicant for a certificate as a registered barber apprentice, \$5.

(e) For the issuance or renewal of such certificate, \$5.

(f) For the restoration of an expired certificate as a registered barber apprentice, \$5.

(g) \$50 for barber school or college, and \$25 annual renewal fee.

SEC. 12. The Commissioners are authorized and directed to provide suitable quarters for examinations and equipment to the Board and for the compensation of the members of the Board at the rate of \$9 per day for the time actually and necessarily spent in their duties as such members and for the payment of expenses necessarily incurred by the Board in carrying out the provisions of this Act and are also authorized and directed to appoint a clerk and three inspectors at such salary as the Commissioners may authorize to assist the Board in carrying out the provisions of this Act; said inspectors shall be qualified barbers, each of whom shall have been engaged in the practice of barbering in the District of Columbia for a period of five years immediately prior to their appointment, and shall be appointed after a competitive examination held for said positions by the Board officer of the District of Columbia: *Provided*, That payments under this section shall not exceed the amount received from the fees provided for in this Act; and if at the close of each fiscal year any funds unexpended in excess of the sum of \$1,000 shall be paid into the Treasury of the United States to the credit of the District of Columbia: *Provided*, That no expense incurred under this Act shall be a charge against the funds of the United States or the District of Columbia.

#### BARBER SCHOOL OR COLLEGE REQUIREMENTS

SEC. 13. No barber school or college shall be granted a certificate of registration unless it shall attach to its staff, as a consultant, a person

licensed by the District of Columbia to practice medicine, and employ and maintain a sufficient number of competent barber instructors registered as such, and shall possess apparatus and equipment sufficient for the proper and full teaching of all subjects of its curriculum, shall keep a daily record of the attendance of each student, shall maintain regular class and instruction hours, shall establish grades and hold examinations before issuance of diplomas, and shall require a school term of training of not less than one thousand hours within a period of not more than eight hours a working day, two years as apprentice for a complete course of barbering, comprising all or a majority of the practices of cosmetology, as provided by this Act, and to include sanitation, sterilization, and the use of antiseptics, cosmetics, and electrical appliances consistent with the practical and theoretical requirements as applicable to barbering or any practice thereof. In no case shall there be less than one registered barber instructor to every ten students. All barber school instructors must be qualified registered barbers, excepting licensed physicians.

SEC. 14. (a) It shall be unlawful—

(1) To engage in the practice of barbering in the District of Columbia without a valid certificate as a registered barber, except that a registered barber apprentice may engage in the practice of barbering under the immediate personal supervision of a registered barber.

(2) To engage in the practice of barbering while knowingly afflicted with an infectious or communicable disease.

(3) To employ any person to engage in the practice of barbering except registered barbers and apprentices.

(4) To operate a barber shop unless it is at all times under the personal supervision of a registered barber.

(5) To obtain or attempt to obtain a certificate from the Board for money other than the required fee, or for any other thing of value or by fraudulent misrepresentations. Certificates are not transferable to another person.

(6) That hereafter in the District of Columbia it shall be unlawful for a person to maintain seven days consecutively any establishment wherein the occupation or trade of barbering, hair dressing, or beauty culture is pursued. All such establishments shall be required to remain closed one day in every seven beginning at midnight or at sunset and no person shall maintain his establishment open to serve the public on the day he has selected it to be closed and has so registered the closing day at the Health Department.

(7) To own, manage, operate, or control any barber school or college, part or portion thereof, whether connected therewith or in a separate building, wherein the practice of barbering, as hereinbefore defined, is engaged in or carried on unless all entrances to the place wherein the practice of barbering is so engaged in or carried on shall display a sign indicating that the work therein is done by students exclusively.

(b) Any person violating any of the provisions of this Act shall upon conviction be fined not less than \$25.

SEC. 15. This Act shall take effect ninety days after the date of its enactment.

#### EXEMPTIONS

SEC. 16. The provisions of this Act shall not be construed to apply to—

(a) Persons authorized by law of the District of Columbia to practice medicine and surgery, osteopathy, or chiropractic, or persons holding a drugless-practitioner certificate under the law of the District of Columbia;

Instructors, equipment, etc.

Student regulations.

Apprenticeship.

Practices included.

Unlawful acts.

Practice without a certificate; exception.

While knowingly afflicted with an infectious, etc., disease.  
Employing any but registered barbers, etc.

Operating without proper supervision.

Bribery, etc.

Closing of shops one day in every seven.

Barber schools.  
Signs to indicate work is done by students.

Penalty for violation of provisions.

Effective date.

Exemptions.

Persons authorized to practice medicine, etc.

Commissioned medical or surgical officers.

Registered nurses.

Beauty parlor employees.

Undertakers, etc.

Persons practicing physiotherapy, etc.

Constitutionality.

Separability provision.

Repeal of other laws.

47 Stat. 750.

*Proviso.*  
Existing sanitary, etc., rules not repealed.

Purpose of Act.

June 7, 1938  
[H. J. Res. 687]  
[Pub. Res., No. 104]

District of Columbia Revenue Act of 1937, amendment.  
*Ante*, p. 368.

Business privilege taxes.  
Credit allowed for taxes paid on certain tangible personal property.

(b) Commissioned medical or surgical officers of the United States Army, Navy, or Marine hospital service;

(c) Registered nurses;

(d) Persons employed in beauty parlors; however, the provisions of this section shall not be construed to authorize any of the persons exempted to shave or trim the beard, or cut the hair of any person for cosmetic purposes, except that person included in the subdivision (d) hereof shall be allowed to cut the hair; or

(e) Undertakers and embalmers.

(f) Persons engaged in the practice of physiotherapy or massaging, stimulating, or exercising of the head, neck, arms, bust, or upper part of the body, when done for purposes of health and hygiene.

#### CONSTITUTIONALITY

SEC. 17. Each section, subsection, sentence, clause, and phrase of this Act is declared to be an independent section, subsection, sentence, clause, and phrase; and the finding or holding of any section, subsection, sentence, phrase, or clause to be unconstitutional, void, or ineffective for any cause shall not affect any other section, subsection, sentence, or part thereof.

#### REPEAL OF OTHER LAWS

SEC. 18. The Act of Congress of December 19, 1932, and all laws or portions of laws inconsistent with this Act are hereby repealed: *Provided*, That nothing in this Act contained shall be construed to limit or repeal any existing rules, regulations, or laws relating to health or sanitation.

SEC. 19. The purpose of this Act shall be to prevent the spreading of diseases and promote the general health of the public by promoting sanitary conditions in barber shops and barber schools or colleges in the practice of barbering.

Approved, June 7, 1938.

#### [CHAPTER 323]

#### JOINT RESOLUTION

To amend title VI of the District of Columbia Revenue Act of 1937.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That subsection (b) of section 7 of title 6 of the District of Columbia Revenue Act of 1937, as amended, is amended to read as follows:

“(b) Any tax on tangible personal property (other than motor vehicles) levied against and paid by the taxpayer to the District, within the time prescribed by law for the payment of such tax by the taxpayer, shall be allowed as a credit against the tax imposed by this title for the taxable year in which such tax on tangible personal property is paid.”

Approved, June 7, 1938.

## [CHAPTER 324]

## AN ACT

Authorizing the President to present the Distinguished Service Medal to Rear Admiral Reginald Vesey Holt, British Navy, and to Captain George Eric Maxia O'Donnell, British Navy, and the Navy Cross to Vice Admiral Lewis Gonne Eyre Crabbe, British Navy, and to Lieutenant Commander Harry Douglas Barlow, British Navy.

June 7, 1938  
[S. 3522]  
[Public, No. 581]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the President is authorized to present the Distinguished Service Medal to Rear Admiral Reginald Vesey Holt, British Navy, and to Captain George Eric Maxia O'Donnell, British Navy, in recognition of their initiative and courageous action in proceeding immediately with unselfish disregard of their own safety to render assistance in recovering the survivors of the United States ship Panay in the face of threatened force and armed opposition; and the Navy Cross to Vice Admiral Lewis Gonne Eyre Crabbe, British Navy, and to Lieutenant Commander Harry Douglas Barlow, British Navy, for their voluntary and unstinted cooperation in assisting with the recovery of the survivors of the United States ship Panay.

Approved, June 7, 1938.

U. S. S. Panay.  
Presentation of medals, etc., authorized to designated British naval officers for assistance in recovery of survivors of.

## [CHAPTER 326]

## AN ACT

To provide for insanity proceedings in the District of Columbia.

June 8, 1938  
[S. 1225]  
[Public, No. 582]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That any person with whom an alleged insane person may reside, or at whose house he may be, or the father or mother, husband or wife, brother or sister, or the child of lawful age of any such person, or the nearest relative or friend available, or the committee of such person, or an officer of any charitable institution, home, or hospital in which such person may be, or any duly accredited officer or agent of the Board of Public Welfare, or any officer authorized to make arrests in the District of Columbia who has arrested any alleged insane person under the provisions of the Act of Congress approved April 27, 1904 (33 Stat. 316), may apply for a writ de lunatico inquirendo and an order of commitment, or either thereof, for any alleged insane person in the District of Columbia by filing in the equity court of the District Court of the United States for the District of Columbia a verified petition therefor containing a statement of the facts upon which the allegation of insanity is based. All writs de lunatico inquirendo shall issue from the equity court of the District Court of the United States for the District of Columbia, and a justice holding said court shall preside at all inquisitions of lunacy.

District of Columbia, insane persons.  
Application for a writ de lunatico inquirendo, etc.

33 Stat. 316.

Writs to issue from equity court.

SEC. 2. There is hereby established a Commission on Mental Health (hereinafter referred to as the Commission), which shall examine alleged insane persons, inquire into the affairs of such persons, and the affairs of those persons legally liable as hereinafter provided for the support of said alleged insane persons, and make reports and recommendations to the court as to the necessity of treatment, the commitment, and payment of the expense of maintenance and treatment of such insane persons. The said Commission shall be drawn from a panel of nine bona-fide residents of the District of Columbia who have resided in said District for a continuous period of at least three years immediately preceding their appointment, who shall be appointed by the Judges of the District Court of the United States for the District of Columbia.

Commission on Mental Health, establishment; duties.  
Investigations, reports, and recommendations.

Commission, how drawn; qualifications, appointment.



Eight of the panel to be practicing physicians; qualifications.

Ninth member to be of the District bar.

Assignments.

Personnel of Commission.

Physician members may practice during tenure of office. Lawyer member to be chairman; duties in ascertainment of facts.

To devote entire time. Alternate lawyer member, qualifications.

Compensation.

Terms of original appointments; thereafter.

Salaries. 5 U. S. C. §§ 661-674; Supp. III, §§ 673, 673c.

Expenses to be included in annual estimates.

Supervision of Commission by equity court.

Power to compel appearance of alleged insane; witnesses.

Examination elsewhere.

Representation of alleged insane at hearings.

Fees for services; payment.

Eight members of said panel shall be physicians who have been practicing medicine in the District of Columbia, and who have had not less than five years' experience in the diagnosis and treatment of mental diseases, none of whom is financially interested in the hospital in which the alleged insane person is to be confined, and the ninth member shall be a member of the bar of the District Court of the United States for the District of Columbia who has been engaged in the general active practice of law in the District of Columbia for a period of at least five years prior to his appointment. Each physician member of the panel shall be assigned by the chief justice of the District Court of the United States for the District of Columbia to active service on the Commission for three months in each calendar year, and the chief justice may change such assignments at any time at his discretion. The two physician members on active service and the lawyer member shall constitute the Commission for the purposes of this Act. The members to whom any case is referred shall continue to act in respect to that case until its final disposition, unless the court shall otherwise order. Physician members of the Commission may practice their profession during their tenure of office. The lawyer member of the Commission shall be chairman thereof, and it shall be his duty, and he shall have authority to direct the proceedings and hearings in such a manner as to insure dependable ascertainment of the facts, by relevant, competent, and material evidence, and so as to insure a fair and lawful conduct and disposition of the case. The lawyer member shall devote his entire time to the work of the Commission. The judges shall also appoint an alternate lawyer member of the Commission, who shall have the same qualifications as that member, and who may be designated by the chief justice to act as a member of the Commission in absence of the lawyer member; for such service the alternate shall receive \$10 for each day of actual service. Original appointments of physicians shall be two each for one, two, three, and four years, respectively, the lawyer member to be appointed for four years. Thereafter appointments shall be for four years each. The salaries of the members of the Commission and of employees shall be fixed in accordance with the provisions of the Classification Act of 1923, as amended. The Commissioners shall include in their annual estimates such amounts as may be required for the salaries and expenses herein authorized.

The said Commission shall act in all respects under the direction of the equity court. The court may compel, by subpoena, the appearance of alleged insane persons before the Commission for examination, and may compel the attendance of witnesses before the Commission. If it shall appear to the satisfaction of the Commission that the appearance before it of any alleged insane person is prevented by reason of the mental or physical condition of such person, the Commission may, in its discretion, examine such person at the hospital in which such person may be confined, or, with the consent of the relatives, or of the person with whom such person may reside, at the residence of the alleged insane person.

The court may in its discretion appoint an attorney or guardian ad litem to represent the alleged insane person at any hearing before the Commission or before the court, or before the court and jury, and shall allow the attorney or guardian ad litem so appointed a reasonable fee for his services. Such fees may be charged against the estate or property, if any, of the alleged insane person, or taxed as costs against the petitioner in the proceedings, or, in the case of an indigent person, charged against the funds of the Commission, as the court, in its discretion may direct.

The office and records of the sanitary officer, District of Columbia, are hereby transferred from the Metropolitan Police Department to the Commission and the sanitary officer shall be secretary of the Commission. Suitable quarters shall be provided for the Commission by the Commissioners of the District of Columbia.

Sanitary officer; transfer of office and records to Commission. Designation as secretary.

SEC. 3. Upon the filing with the court of a verified petition as hereinabove provided, accompanied by the affidavits of two or more responsible residents of the District of Columbia setting forth that they believe the person therein named to be insane or of unsound mind, the length of time they have known such person, that they believe such person to be incapable of managing his or her own affairs, and that such person is not fit to be at large or to go unrestrained, and that if such person be permitted to remain at liberty the rights of persons and property will be jeopardized or the preservation of public peace imperiled or the commission of crime rendered probable, and that such person is a fit subject for treatment by reason of his or her mental condition, the court, or any judge thereof in vacation, may, in its or his discretion, issue an attachment for the immediate apprehension and detention of such person in Gallinger Municipal Hospital, or any other hospital, for the purpose of preliminary examination. Any person so apprehended and detained shall be given an examination within forty-eight hours of his admission into Gallinger Municipal Hospital by the staff of Gallinger Municipal Hospital. If, as a result of such examination, the said staff of Gallinger Municipal Hospital shall certify that the said person is a proper subject for commitment the case shall be forthwith referred upon said certificate to the Commission; but, if as a result of such examination, the said staff shall find that the person is of sound mind he shall be discharged forthwith by said Gallinger Municipal Hospital and the petition dismissed. Nothing contained in this section shall deprive the alleged insane person of the benefit of existing remedies to secure his release or to prove his sanity, or of any other legal remedies he may have.

Issuance of attachment.

Prompt examination by Gallinger Municipal Hospital staff.

Reference to Commission if person proper subject for commitment.

Discharge, if found of sound mind; dismissal of petition.

Benefits of existing remedies not to be denied.

Reference of petitions for writs by court to Commission; exception.

SEC. 4. Any petition filed in the equity court for a writ de lunatico inquirendo or for an order of commitment of any alleged insane person, unless said person shall have been discharged by the staff of Gallinger Hospital in accordance with the provisions of section 3 hereof, shall be referred by the court to the Commission for report and recommendation within such time as the court may designate, which time may be extended by the court for good cause shown. The Commission shall thereupon examine the alleged insane person and any other person, including any suggested by the alleged insane person, his relatives, friends, or representatives, whose testimony may be relevant<sup>1</sup>, competent, and material upon the issue of insanity; and the Commission shall afford opportunity for hearing to any alleged insane person, his relatives, friends, or representatives. At all hearings the alleged insane person shall have the right to be represented by counsel.

Examination and hearing.

Right to representation by counsel.

The Commission is hereby authorized to conduct its examination and hearings of cases elsewhere than at the offices of said Commission in its discretion, according to the circumstances of the case.

Examination and hearings elsewhere than at offices of Commission.

The Commission shall determine (1) the sanity or insanity of the alleged insane person, (2) the length of time the alleged insane person has resided within the District, and (3) the ability of the relatives, mentioned in section 11 of this Act, or the committee of the alleged insane person to pay all or a portion of the maintenance of such person if confined to Saint Elizabeths or any other hospital; and shall include such findings in its report.

Matters for determination.

<sup>1</sup> So in original.

Service of notice on person alleged to be insane, and others.

SEC. 5. Notice of the filing of any petition hereinbefore provided shall be served personally upon the person alleged to be insane, at least three days (exclusive of Sundays and legal holidays) before the time set for hearing by the Commission as provided in section 4 of this Act. If the petition be made by a person other than the wife, husband, father, mother, or other nearest relative, such notice shall also be served upon either such wife, husband, father, mother, or other nearest relative of said alleged insane person, if there be any such relative known to be within the District of Columbia; if not, upon the person with whom such alleged insane person may reside, or at whose home he may be or in their absence upon a friend of such alleged insane person; and if there be no such person or persons such service shall be dispensed with.

Recommendations; agreement by members of Commission. Court proceeding in event of disagreement.

SEC. 6. Recommendations of the Commission must be the unanimous recommendation of the three members acting upon any case. If the three members of the Commission be unable to agree upon the recommendation to be made in any case, they shall immediately file with the court a report setting forth the fact that they are unable to agree on the case, and in that event the court shall hear and determine the case, unless the alleged insane person, or someone in his behalf, shall demand a jury trial, in which event the case shall be heard and determined by the court and a jury.

Jury trial if demanded.

Findings and recommendations to be filed with the court.

If the Commission shall agree upon a recommendation, it shall file with the court a report setting forth its findings of fact and conclusions of law and its recommendation based thereon which recommendation shall be in one of the following forms:

Person of sound mind.

(1) That the person is of sound mind and should be discharged forthwith and the petition dismissed.

Further study before diagnosis.

(2) That the mental condition of the alleged insane person is such that definite diagnosis cannot be made without further study, or that the mental incapacity of said person will probably be of short duration, and that said person should be temporarily committed to Gallinger Municipal Hospital or any other hospital in the District of Columbia, as provided in the Act approved April 27, 1904, for observation or treatment for a period of not more than thirty days, during which said period the Commission shall examine the said person and make a recommendation as to the final disposition of the case.

Incapacity of probable short duration; temporary detention, etc.

33 Stat. 316.

Of unsound mind and should be committed to Saint Elizabeths Hospital, etc. Payment of expense.

(3) That the person is of unsound mind and (a) should be committed to Saint Elizabeths Hospital, or any other hospital provided by section 4 of the Act approved April 27, 1904, (1) at public expense, or (2) at the expense of those persons who are required by law, or who will agree to pay for the maintenance and treatment of said insane person, or (3) that the relatives of the said insane person, mentioned in section 11 of this Act are able to pay a specified sum per month toward the support and maintenance of said insane person; (b) is harmless and may safely be committed to the care of his relatives or friends (naming them) who are willing to accept custody, care, and maintenance of said insane person under conditions specified by the Commission.

Harmless and may be committed to care of relatives, etc.

Procedure if hearing or jury trial demanded.

SEC. 7. Upon the receipt of the report and recommendation of the Commission, a copy of which shall be served personally upon the alleged insane person, his guardian ad litem or his attorney, if he have one, together with notice that he has ten days within which to demand a jury trial, a demand for hearing by the court or a demand for jury trial for the purpose of determining the sanity or insanity of the alleged insane person may be made by the said alleged insane person or by anyone in his behalf, or a jury trial may be ordered by the court upon its own motion. If demand be

made for a jury trial, or such trial be ordered by the court on its own motion, the case shall be calendared for trial not less than ten days after demand for hearing by the court or for a jury trial, or unless the time is extended by the court. The Commission, or any of the members thereof, shall be competent and compellable witnesses at any trial or hearing of an alleged insane person. In any case in which a commitment at public expense, in whole or in part, is sought, the corporation counsel or one of his assistants shall represent the petitioner unless said petitioner shall be represented by counsel of his or her own choice.

The jury to be used in lunacy inquisitions in those cases where a jury trial shall be demanded or ordered shall be empaneled, upon order of the court, from the jurors in attendance upon other branches of the District Court of the United States for the District of Columbia, who shall perform such services in addition to, and as part of, their duties in said court.

Empaneling of jury.

SEC. 8. If no demand be made for a hearing by the court or by the court and a jury, the judge holding equity court shall determine the sanity or insanity of said alleged insane person, but such judge may, in his discretion, require other proofs, in addition to the petition and report of the Commission, or such judge may order the temporary commitment of said alleged insane person for observation or treatment for a period of not more than thirty days. The judge, may in his discretion, dismiss the petition notwithstanding the recommendation of the Commission. If the judge be satisfied that the alleged insane person is of sound mind, he shall forthwith discharge such person and dismiss the petition.

Procedure if no hearing demanded.

SEC. 9. If the judge be satisfied that the alleged insane person is insane, or if a jury shall so find, the judge may commit the insane person as he in his discretion shall find to be for the best interests of the public and of the insane person. In case of a temporary commitment, the court may make additional temporary commitments upon further examination by, and the recommendation of, the Commission.

Commitments.

SEC. 10. If an insane person be found by the Commission, subject to the review of the court, not to be a resident of the District of Columbia he may be committed by the court to Saint Elizabeths Hospital as a District of Columbia patient until such time as his residence shall have been ascertained. Upon the ascertainment of such insane person's residence in some other jurisdiction, he shall be transferred to the State of such residence. The expense of transferring such patient, including the traveling expenses of necessary attendants to insure his safe transfer, shall be borne by the District of Columbia only if the patient be indigent.

Nonresident insane.

Any insane person found by the Commission to have been a resident of the District of Columbia for more than one year prior to the filing of the petition, and any person found within the District of Columbia whose residence cannot be ascertained, who is not in confinement on a criminal charge, may be committed by the court to, and confined in, said Saint Elizabeths Hospital, or any other hospital in said District, which, in the judgment of the health officer of said District, is properly constructed and equipped for the reception and care of such persons, and the official in charge of which, for the time being, is willing to receive such persons.

Resident, etc., insane.

"Resident of the District of Columbia", as used in this section, means a person who has maintained his principal place of abode in the District of Columbia for more than one year prior to the filing of the petition provided for in section 1 of this Act.

"Resident of the District of Columbia" defined.

*Ante*, p. 625.

Placing of harmless insane in care of relatives.

If it appears that a person found to be insane is harmless and his or her relatives or committee of his or her person are willing and able properly to care for such insane person at some place or institution other than Saint Elizabeths Hospital, the judge may order that such insane person be placed in the care and custody of such relatives or such committee upon their entering into an undertaking to provide for such insane person as the court may direct.

Liability of relatives for cost of maintenance and treatment.

SEC. 11. The father, mother, husband, wife, and adult children of an insane person, if of sufficient ability, and the committee or guardian of his or her person and estate, if his or her estate is sufficient for the purpose, shall pay the cost to the District of Columbia of his or her maintenance, including treatment, in Saint Elizabeths Hospital, or in any other hospital to which the insane person may be committed. It shall be the duty of said Commission to examine, under oath, the father, mother, husband, wife, adult children, and committee, if any, of any alleged insane person whenever such relatives live within the District of Columbia, and to ascertain the ability of such relatives or committee, if any, to maintain or contribute toward the maintenance of such alleged insane person: *Provided*, That in no case shall said relatives or committee be required to pay more than the actual cost to the District of Columbia of maintenance of such alleged insane person.

Ascertainment of ability to pay.

*Proviso.*  
Limitation.

Court procedure in event of nonpayment.

Citation, hearing, etc.

Action by court.

Collections.

Enforcement against property of insane person or person liable.

Released or paroled patients, hearings to determine sanity, etc.

Examination and observation by Commission.

If Commission finds person to be of sound mind.

If any person hereinabove made liable for the maintenance of an insane person shall fail so to provide or pay for such maintenance, the court shall issue to such person a citation to show cause why he should not be adjudged to pay a portion or all of the expenses of maintenance of such patient. The citation shall be served at least ten days before the hearing thereon. If, upon such hearing, it shall appear to the court that the insane person has not sufficient estate out of which his maintenance may properly be fully met and that he has relatives of the degrees hereinabove mentioned who are parties to the proceedings, and who are able to contribute thereto, the court may make an order requiring payment by such relatives of such sum or sums as it may find they are reasonably able to pay and as may be necessary to provide for the maintenance of such insane person. Said order shall require the payment of such sums to the Board of Public Welfare annually, semiannually, or quarterly as the court may direct. It shall be the duty of the Board to collect the said sums due under this section, and to turn the same into the Treasury of the United States to the credit of the District of Columbia. Any such order may be enforced against any property of the insane person or of the person liable or undertaking to maintain him in the same way as if it were an order for temporary alimony in a divorce case.

SEC. 12. Any insane person who has been committed to Saint Elizabeths Hospital, or any other hospital, and who shall have been released from such hospital as improved, or who shall have been paroled from such hospital (but who shall not have been discharged as cured), and who shall have been absent from the hospital on release or parole for a period of six months or longer, shall have the right to appear before the Commission for a hearing to determine the sanity and right to restoration to the status of a person of sound mind of said insane person by filing a petition therefor with the court upon a form to be provided by the Commission for that purpose. It shall be the duty of the Commission to make such examination and observation of the insane person as may be necessary to determine such questions, and to make a report and a recommendation to the court. In the event the Commission shall find that the said person is of sound mind and shall recommend to the court the restoration of said person to the status of a person of sound mind

such recommendation shall be sufficient to authorize the court to enter an order declaring such person to be restored to his or her former legal status as a person of sound mind. In the event the Commission shall find such person to be of unsound mind, it shall report that finding to the court. Upon the filing by the Commission of a report finding such person to be of unsound mind, the insane person shall have the right to a hearing by the court or by the court and a jury. For the purpose of making the examination and observations required by this section the Commission shall have the right to examine the records and to interrogate the physicians and attendants at Saint Elizabeths Hospital or any other hospital in which such patient shall have been confined, who have had the insane person under their care, and the Commission may recommend to the court the temporary recommitment, for a period of not more than thirty days, of such person for purposes of observation, and the court is hereby empowered to order the temporary recommitment of such person for said purpose. At such trial by the court or by the court and a jury, an adjudication shall be made as to whether the person is of sound mind or is still of unsound mind.

SEC. 13. The same fees and mileage as are paid in the courts of the United States shall be paid in the case of witnesses subpoenaed under the provisions of this Act.

SEC. 14. The court in its discretion may require the petitioner to file an undertaking with surety to be approved by the court in such amount as the court may deem proper, conditioned to save harmless the respondent by reason of costs incurred, including attorney's fees, if any, and damages suffered by the respondent as a result of any such action.

SEC. 15. Any person who executes a verified petition or affidavit as provided in this Act, by which he or she secures or attempts to secure the apprehension, detention, or restraint of any other person in the District of Columbia without probable cause for believing such person to be insane or of unsound mind, or any physician who knowingly makes any false certificate or affidavit, as to the sanity or insanity of any other person shall, upon conviction thereof, be fined not more than \$500 or imprisoned not more than three years, or both.

SEC. 16. All Acts or parts of Acts in conflict herewith are hereby repealed.

SEC. 17. If any provision of this Act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are declared to be severable.

Approved, June 8, 1938.

#### [CHAPTER 327]

#### AN ACT

To require the registration of certain persons employed by agencies to disseminate propaganda in the United States and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

That as used in this Act—

(a) The term "person" means an individual, partnership, association, or corporation;

(b) The term "United States" includes the United States and any place subject to the jurisdiction thereof;

(c) The term "foreign principal" means the government of a foreign country, a political party of a foreign country, a person domi-

If Commission finds person to be of unsound mind.

Right to hearing.

Adjudication.

Witnesses, fees and mileage.

Petitioner may be required to file undertaking with surety.

Penalty provisions.

Repeal of conflicting Acts, etc.

Separability of provisions.

June 8, 1938

[H. R. 1591]

[Public, No. 583]

Dissemination of propaganda in the United States.  
Terms defined.  
"Person."

"United States."

"Foreign principal."

	ciled abroad, or any foreign business, partnership, association, corporation, or political organization;
"Agent of a foreign principal."	(d) The term "agent of a foreign principal" means any person who acts or engages or agrees to act as a public-relations counsel, publicity agent, or as agent, servant, representative, or attorney for a foreign principal or for any domestic organization subsidized directly or indirectly in whole or in part by a foreign principal. Such term shall not include a duly accredited diplomatic or consular officer of a foreign government who is so recognized by the Department of State of the United States, nor a person, other than a public-relations counsel, or publicity agent, performing only private, non-political, financial, mercantile, or other activities in furtherance of the bona fide trade or commerce of such foreign principal;
Persons not included.	(e) The term "Secretary" means the Secretary of State of the United States.
"Secretary."	SEC. 2. Every person who is now an agent of a foreign principal shall, within thirty days after this Act takes effect, and every person who shall hereafter become an agent of a foreign principal shall forthwith file with the Secretary a registration statement, under oath, on a form prescribed by the Secretary which shall set forth—
Filing of registration statement with the Secretary.	(a) The name, business address, and residence address of the registrant;
Facts to be set forth. Registrant's name, address, etc.	(b) The name of the foreign principal or other person or organization for which such person is acting as agent;
Name of foreign principal, etc.	(c) A copy of all contracts of employment under which such person acts or agrees to act as such agent, if written, or a full statement of the terms and conditions thereof, if oral;
Copies of contracts of employment.	(d) The date when each such contract was made, the date of commencement of activity thereunder, and the period during which such contract is to be in effect;
Date of contract, and commencement of activity thereunder; duration.	(e) The compensation to be paid, if any, and the form and time of payment, under such contract;
Compensation.	(f) The name of every foreign principal, or other person or organization which has contributed or which has promised to contribute to the compensation provided in such contract; and
Names of all contributors to said compensation.	(g) If the registrant be a partnership, association, or corporation, a true and complete copy of its charter, articles of incorporation, copartnership, association, constitution, and bylaws, and any other instrument or instruments relating to its organization, powers, and purposes.
Copies of certain instruments if registrant be a partnership or corporation.	SEC. 3. Every person who has filed a registration statement required by section 2 shall, within thirty days after the expiration of such period of six months succeeding the first filing, file with the Secretary a statement, under oath, on a form prescribed by the Secretary, which shall set forth with respect to such preceding six months' period—
Information to be supplied at end of six months' period.	(a) Such facts as may be necessary to make the information required under section 2 hereof accurate and current with respect to such period;
Facts to make information accurate and current.	(b) The amount and form of compensation received by such person for acting as agent for a foreign principal which has been received during such six months' period either directly or indirectly from any foreign principal; and
Amount and form of compensation received as agent.	(c) A statement containing such details required under this Act as the Secretary shall fix, of the activities of such persons as agent of a foreign principal during such six months' period.
Statement containing details of activities during period.	SEC. 4. The Secretary shall retain in permanent form all statements filed under this Act, and such statements shall be public records and open to public examination and inspection at all reasonable hours, under such rules and regulations as the Secretary may prescribe.
Preservation of statements; status as public records.	

SEC. 5. Any person who willfully fails to file any statement required to be filed under this Act, or in complying with the provisions of this Act, makes a false statement of a material fact, or willfully omits to state any material fact required to be stated therein shall, on conviction thereof, be punished by a fine of not more than \$1,000 or imprisonment for not more than two years, or both.

SEC. 6. The Secretary is authorized and directed to prescribe such rules, regulations, and forms as may be necessary to carry out this Act.

SEC. 7. This Act shall take effect on the ninetieth day after the date of its enactment.

Approved, June 8, 1938.

[CHAPTER 328]

AN ACT

To amend the Federal Aid Act, approved July 11, 1916, as amended and supplemented, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That for the purpose of carrying out the provisions of the Act entitled "An Act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes", approved July 11, 1916 (39 Stat. 355), and all Acts amendatory thereof and supplementary thereto, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the following sums, to be expended according to the provisions of such Act as amended and supplemented: The sum of \$100,000,000 for the fiscal year ending June 30, 1940, and the sum of \$115,000,000 for the fiscal year ending June 30, 1941.

(a) All sums herein or hereafter authorized and apportioned to the States shall be available for expenditure for one year after the close of the fiscal year for which said sums, respectively, are authorized, and any sum remaining unexpended at the end of the period during which it is available for expenditure shall be reapportioned among the States as provided in section 21 of the Federal Highway Act (42 Stat. 217).

(b) Beginning with the fiscal year ending June 30, 1940, the District of Columbia shall be entitled to share in all sums herein or hereafter authorized and apportioned to the States, upon the same terms and conditions as any of the several States, and the District of Columbia shall be included in the calculations to determine the basis of apportionment of such funds: *Provided*, That the system of roads on which Federal-aid apportionments to the District of Columbia shall be expended may be determined and agreed upon by the highway department of the said District and the Secretary of Agriculture without regard to the limitations in section 6 of the Federal Highway Act (42 Stat. 213) respecting the selection and designation of such system of roads; and, when the system first determined and agreed upon shall have been completed, additions thereto may be made in like manner as funds become available for the construction of such additions.

(c) Hereafter the construction of highways by the States with the aid of Federal funds may include such roadside and landscape development, including such sanitary and other facilities as may be deemed reasonably necessary to provide for the suitable accommodation of the public, all within the highway right-of-way and adjacent publicly owned or controlled recreational areas of limited size and with provision for convenient and safe access thereto by pedestrian and vehicular traffic, as may be approved by the Secretary of Agriculture.

Penalty provisions.

Rules and regulations.

Effective date.

June 8, 1938  
[H. R. 10140]  
[Public, No. 584]

Federal Aid Highway Act of 1938.  
39 Stat. 355.  
23 U. S. C. §§ 1-25; Supp. III, ch. 1.

Appropriations authorized for fiscal years 1940 and 1941.

Availability of sums for expenditure.

Reapportionment of unexpended sums.

42 Stat. 217.  
23 U. S. C. § 21.

Inclusion of District of Columbia in apportionment beginning with fiscal year 1940.

*Proviso.* Determination of system of roads.

42 Stat. 213.  
23 U. S. C. § 6.  
Additions.

Roadside and landscape development.



Use of Federal funds without matching State funds in certain cases.

48 Stat. 995.  
23 U. S. C. § 55.

42 Stat. 212.  
23 U. S. C. §§ 1-25;  
Supp. III, ch. 1.

Term "highway" to include certain bridges.

Secondary or feeder roads.  
Sums authorized for Federal aid.  
49 Stat. 1521.

Elimination of railroad grade crossing hazards.

Apportionment.

42 Stat. 212.  
Basis.

Matching not required.  
Amounts authorized.

Damages by floods and other catastrophes.  
Amount authorized as an emergency relief fund.

(d) If within the fiscal years 1938 and 1939 the Secretary of Agriculture shall find with respect to any State (1) that the proceeds of all special taxes on motor-vehicle transportation, as referred to in section 12 of the Act of June 18, 1934 (48 Stat. 995), as amended by this Act, are applied to highway purposes as defined in said section; (2) that at least 90 per centum of such proceeds are applied to the administrative and operating expenses of the State highway department, the maintenance of the State and Federal-aid highway systems, and the payment of interest on, and the amortization of, bond obligations of the State for the payment of which such revenues have heretofore been pledged; and (3) that the portion of the proceeds of all such special taxes then available for construction, together with funds available to the State from any other sources for highway purposes, will be insufficient to match all, or any part, of the regular and secondary Federal-aid road funds apportioned to such State for such fiscal years in accordance with the provisions of the Federal Highway Act (42 Stat. 212), as amended and supplemented, then such portion of such apportionment as the Secretary of Agriculture shall find the State is unable to match shall be made available for expenditure in such State in accordance with said Federal Highway Act without being matched by the State.

(e) The term "highway" as defined in the Federal Highway Act (42 Stat. 212), as amended and supplemented, shall be deemed to include that portion of any interstate or international bridge and the approaches thereto, the cost of which is assumed by the State highway department, including such facilities as may be required by the United States Customs and Immigration Services in connection with the operation of such bridge.

SEC. 2. For the purpose of continuing the provisions of section 7 of the Act of June 16, 1936 (49 Stat. 1521), there is hereby authorized to be appropriated the sum of \$15,000,000 for the fiscal year ending June 30, 1940, and the sum of \$15,000,000 for the fiscal year ending June 30, 1941; said sums to be expended on secondary or feeder roads, including farm-to-market roads, rural-free-delivery mail roads, and public-school bus routes.

SEC. 3. For the elimination of hazards to life at railroad grade crossings, including the separation or protection of grades at crossings, the reconstruction of existing railroad-grade-crossing structures, and the relocation of highways to eliminate grade crossings, there is hereby authorized to be appropriated, to be apportioned on or before the 1st day of January of each year preceding the fiscal year for which it is authorized among the several States in accordance with the provisions of the Federal Highway Act (42 Stat. 212), as amended and supplemented, except that such apportionment shall be one-half on population as shown by the latest decennial census, one-fourth on the mileage of the Federal-aid highway system as determined by the Secretary of Agriculture, and one-fourth on the railroad mileage as determined by the Interstate Commerce Commission, and to be expended in accordance with said Federal Highway Act, as amended and supplemented, except that no part of such funds apportioned to any State need be matched by the State: The sum of \$20,000,000 for the fiscal year ending June 30, 1940, and the sum of \$30,000,000 for the fiscal year ending June 30, 1941.

SEC. 4. Not to exceed \$8,000,000 of any money herein or hereafter appropriated for expenditure in accordance with the provisions of the Federal Highway Act (42 Stat. 212) shall be available for expenditure by the Secretary of Agriculture, in accordance with the provisions of said Federal Highway Act, as an emergency relief fund,

after receipt of an application therefor from the highway department of any State, in the repair or reconstruction of highways and bridges on the system of Federal-aid highways, which he finds, after investigation, have been damaged or destroyed by floods, hurricanes, earthquakes, or landslides, and there is hereby authorized to be appropriated any sum or sums necessary to reimburse the funds so expended from time to time under the authority of this section.

SEC. 5. For the purpose of carrying out the provisions of section 23 of the Federal Highway Act (42 Stat. 218), there is hereby authorized to be appropriated for forest highways, roads, and trails the following sums, to be available until expended in accordance with the provisions of said section 23: The sum of \$10,000,000 for the fiscal year ending June 30, 1940, and the sum of \$13,000,000 for the fiscal year ending June 30, 1941: *Provided*, That the apportionment for forest highways in Alaska shall be \$400,000 for each of the fiscal years, and that such additional amount as otherwise would have been apportioned to Alaska for each of said fiscal years shall be apportioned by the Secretary of Agriculture among those States, including Puerto Rico, whose forest highway apportionment for such fiscal year otherwise would be less than 1 per centum of the entire apportionment for forest highways for that fiscal year: *Provided further*, That the Secretary of Agriculture may make apportionments among those States, including Puerto Rico, whose forest highway apportionments for such fiscal year otherwise would be less than 1 per centum of the entire apportionment for forest highways for that fiscal year without regard to the provisions of said section 23 relating to apportionments, but in no case shall the Secretary of Agriculture make apportionment to any State under this provision in excess of 20 per centum of the total of funds affected hereby.

SEC. 6. For the purpose of carrying out the provisions of section 3 of the Federal Highway Act (42 Stat. 212), as amended by the Act of June 24, 1930 (46 Stat. 805), there is hereby authorized to be appropriated for the survey, construction, reconstruction, and maintenance of main roads through unappropriated or unreserved public lands, nontaxable Indian lands, or other Federal reservations other than the forest reservations the sum of \$1,000,000 for the fiscal year ending June 30, 1940, and the sum of \$2,000,000 for the fiscal year ending June 30, 1941, to remain available until expended.

SEC. 7. For the construction, reconstruction, and improvement of roads and trails, inclusive of necessary bridges, in the national parks, monuments, and other areas administered by the National Park Service, including areas authorized to be established as national parks and monuments, and national park and monument approach roads authorized by the Act of January 31, 1931 (46 Stat. 1053), as amended, there is hereby authorized to be appropriated the sum of \$4,000,000 for the fiscal year ending June 30, 1940, and the sum of \$5,000,000 for the fiscal year ending June 30, 1941.

SEC. 8. For the construction and maintenance of parkways, to give access to national parks and national monuments, or to become connecting sections of a national parkway plan, over lands to which title has been transferred to the United States by the States or by private individuals, there is hereby authorized to be appropriated the sum of \$6,000,000 for the fiscal year ending June 30, 1940, and the sum of \$8,000,000 for the fiscal year ending June 30, 1941: *Provided*, That hereafter the location of such parkways upon public lands, national forests, or other Federal reservations shall be determined by agreement between the department having jurisdiction over such lands and the National Park Service.

Forest highways,  
roads and trails in  
national forests.  
42 Stat. 218.  
23 U. S. C. § 23.

*Proviso.*  
Reduction in appor-  
tionment for Alaska;  
apportionment of dif-  
ference.

Apportionment  
without regard to  
existing limitation.

42 Stat. 218.

Maximum.

Roads through pub-  
lic lands, etc.  
42 Stat. 212; 46 Stat.  
805.  
23 U. S. C. § 3.  
Sums authorized for  
survey, construction,  
and maintenance,  
other than forest reser-  
vations.

Roads, bridges, etc.,  
in national parks, etc.  
Amounts author-  
ized.

46 Stat. 1053.  
16 U. S. C. §§ 8a-8c.

Construction of  
parkways to give ac-  
cess to national parks  
and national monu-  
ments, etc.

Amounts author-  
ized.

*Proviso.*  
Determination of  
location.

Indian reservation roads.  
45 Stat. 750.  
25 U. S. C. § 318a.  
Amounts authorized.

Surveys, etc.

Diversion of road-user taxes.

48 Stat. 995.  
23 U. S. C. § 55.  
Reapportionment of sums withheld as penalties.

42 Stat. 217.  
23 U. S. C. § 21.

Approval of methods of bidding, plans, etc.

Superhighway development, investigation of feasibility, etc.

Short title.

SEC. 9. For construction and improvement of Indian reservation roads under the provisions of the Act approved May 26, 1928 (45 Stat. 750), there is hereby authorized to be appropriated the sum of \$2,500,000 for the fiscal year ending June 30, 1940, and the sum of \$3,000,000 for the fiscal year ending June 30, 1941.

SEC. 10. With the approval of the Secretary of Agriculture, not to exceed 1½ per centum of the amount apportioned for any year to any State under sections 1, 2, and 3 of this Act may be used for surveys, plans, engineering, and economic investigations of projects for future construction in such State, either on the Federal-aid highway system and extensions thereof or on secondary or feeder roads, or grade-crossing eliminations.

SEC. 11. Any sums heretofore or hereafter withheld from the Federal-aid road funds apportioned to any State as a penalty for diversion of road-user taxes under the provisions of section 12 of the Act approved June 18, 1934 (48 Stat. 995), are hereby authorized to be made available for reapportionment in the same manner as any other unexpended balance at the end of the period during which it otherwise would be available for expenditure, in accordance with the provisions of section 21 of the Federal Highway Act (42 Stat. 217).

SEC. 12. Hereafter the Secretary of Agriculture shall approve only such methods of bidding and such plans and specifications of highway construction for the type or types proposed as will be effective in securing competition and conducive to safety, durability, and economy of maintenance.

SEC. 13. The Chief of the Bureau of Public Roads is hereby directed to investigate and make a report of his findings and recommend to the Congress not later than February 1, 1939, with respect to the feasibility of building, and cost of, superhighways not exceeding three in number, running in a general direction from the eastern to the western portion of the United States, and not exceeding three in number, running in a general direction from the northern to the southern portion of the United States, including the feasibility of a toll system on such roads.

SEC. 14. This Act may be cited as the "Federal Aid Highway Act of 1938".

Approved, June 8, 1938.

#### [CHAPTER 330]

#### JOINT RESOLUTION

June 10, 1938  
[H. J. Res. 667]  
[Pub. Res., No. 105]

To authorize an appropriation to aid in defraying the expenses of the observance of the seventy-fifth anniversary of the Battles of Chickamauga, Georgia, Lookout Mountain, Tennessee, and Missionary Ridge, Tennessee; and commemorate the one-hundredth anniversary of the removal from Tennessee of the Cherokee Indians, at Chattanooga, Tennessee, and at Chickamauga, Georgia, from September 18 to 24, 1938, inclusive; and for other purposes.

Battles of Chickamauga, Lookout Mountain, and Missionary Ridge, etc.  
Preamble.

Whereas September 18 to 24, 1938, inclusive, marks the seventy-fifth anniversary of the crucial Battles of Chickamauga, Lookout Mountain, and Missionary Ridge, in the War between the States, and the one-hundredth anniversary of peace between the Cherokee Indians and the pioneers of Tennessee, Georgia, and Alabama; and Whereas sixteen thousand sons of twenty-eight of the sovereign States of the Nation gave their lives upon the battlefields; and Whereas the consequence of their supreme sacrifice was the preservation of a Union of States that has grown greater and stronger with the passing of the years; and

Whereas these sons of twenty-eight States who gave their all that this Nation might remain forever one people lie buried in beautiful Chickamauga-Chattanooga National Cemetery; and

Whereas these heroes who gave their lives to the end that their sons and daughters might have the blessings of liberty and freedom that only a united Nation could preserve and sustain have descendants living today in every State of the Union; and

Whereas the Governors of the twenty-eight States whose sons lie buried in Chickamauga-Chattanooga National Cemetery have expressed a desire to give to the people of these respective States an opportunity to make a pilgrimage to this national shrine under appropriate auspices; and

Whereas the peoples of Georgia, Alabama, and Tennessee by action of the Governors of those States have expressed a willingness and a desire to cooperate with the National Government in giving to the people of the several States an opportunity to make this pilgrimage on the seventy-fifth anniversary of the Battles of Chickamauga, Lookout Mountain, and Missionary Ridge; and

Whereas it is fitting that a Nation that has grown great in the strength of a unity preserved and bequeathed to it by those who sacrificed their all should pause to pay homage to its heroic dead; and

Whereas it is fitting that the Nation by appropriate ceremonies should commemorate the one-hundredth anniversary of peace between its pioneers and the Indians of the Cherokee race: Therefore be it

Centenary of peace with the Cherokee Indians.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the President of the United States is hereby authorized to appoint a commission for the commemoration of the seventy-fifth anniversary of the Battles of Chickamauga, Lookout Mountain, Chattanooga, and Missionary Ridge (hereinafter called the commission).

Appointment of commission authorized.

SEC. 2. The commission shall be composed of three members, all of whom shall be residents of Chattanooga, Tennessee, and who shall serve without compensation. It shall be the duty of the commission to arrange for, supervise, and carry out appropriate observance of the said anniversary. The commission shall elect a chairman and a treasurer from among its members, and is authorized to adopt such rules and regulations for the conduct of its business as it may deem proper.

Composition, residence requirement.

Election of chairman and treasurer, adoption of rules for conduct of business.

SEC. 3. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$35,000, or so much thereof as may be necessary, for use by the commission in defraying expenses necessary for and incident to said observance. Any sums appropriated pursuant to the provisions of this Act shall be paid over to the treasurer of the commission by the Treasury of the United States for use by the commission as herein provided. All expenditures made by the commission shall be upon vouchers submitted by the treasurer of the commission and approved by its chairman. On or before the 1st day of January 1939 the commission shall make an accounting of all its expenditures, and a report of its activities to Congress.

Appropriation authorized for observance expenses.  
*Post*, p. 1116.

Administrative provisions.

Report to Congress.

Approved, June 10, 1938.

## [CHAPTER 331]

## AN ACT

June 10, 1938

[S. 3209]

[Public, No. 585]

To authorize the Secretary of War to grant an easement to the city of Highwood, Lake County, Illinois, in and over certain portions of the Fort Sheridan Military Reservation, for the purpose of constructing a waterworks system.

Fort Sheridan Military Reservation, Ill.  
Easement to city of Highwood, Ill., over portions of, for public purposes.

Provisos.  
Conditions.

Water service to post in emergency.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of War be, and he is hereby, authorized to grant to the city of Highwood, Lake County, Illinois, an easement in and over portions of the Fort Sheridan Military Reservation, Illinois, for the purpose of constructing, operating, and maintaining thereon a waterworks system for the use of said city, consisting of such structures and appurtenances as may be necessary for a complete water pumping, filtration, and treatment plant, together with intake, water, sewer, and electric power lines and an unelevated wash water tank constructed on or below the surface of the ground: *Provided*, That the portions of said reservation to be used for said facilities shall be designated by the Secretary of War, and the easement shall be subject to such provisions and conditions as he may prescribe: *Provided further*, That as consideration for said easement, the city of Highwood shall make and maintain a connection satisfactory to the Secretary of War, or his duly authorized representative, between its water distribution system and the water distribution system of the post of Fort Sheridan, and shall furnish water for the use of said post without cost to the United States during the periods of any emergencies resulting from a breakdown in the post water system, fire or other unavoidable occurrence.

Approved, June 10, 1938.

## [CHAPTER 332]

## AN ACT

June 10, 1938

[H. R. 9696]

[Public, No. 586]

To authorize the registration of certain collective trade-marks.

Collective trade-marks.  
33 Stat. 724.  
15 U. S. C. § 81.

Registration privilege extended.

41 Stat. 533.  
15 U. S. C. § 121.

Other marks which may be registered.

Requirements.

Proviso.  
Refusal, if identical, etc., with known trade-mark.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 1 of the Trade-Mark Act of February 20, 1905, as amended, is amended by adding at the end thereof the following new paragraph:

"By similar procedure, any natural or juristic person, including nations, States, municipalities, and the like, which exercises legitimate control over the use of a collective mark, may apply for and obtain registration of such mark."

SEC. 2. Section 1 (b) of the Trade-Mark Act of March 19, 1920, as amended, is amended to read as follows:

"(b) All other marks not registrable under the Act of February 20, 1905, as amended, except those specified in paragraphs (a) and (b) of section 5 of that Act, including collective marks of natural or juristic persons, and nations, States, municipalities, and the like, exercising legitimate control over the use of the trade-mark sought to be registered even though not possessing an industrial or commercial establishment, which have been in bona fide use for not less than one year in interstate or foreign commerce, or commerce with the Indian tribes by the proprietor thereof, upon or in connection with any goods of such proprietor upon which a fee of \$15 has been paid to the Commissioner of Patents and such formalities as required by the said Commissioner have been complied with: *Provided*, That trade-marks which are identical with a known trade-mark owned and used in interstate and foreign commerce, or commerce with the Indian tribes, by another and appropriated to merchandise of the

same descriptive properties or which so nearly resemble a known trade-mark owned and used in interstate and foreign commerce or commerce with the Indian tribes by another and appropriated to merchandise of the same descriptive properties as to be likely to cause confusion or mistake in the mind of the public or to deceive purchasers, shall not be placed on this register."

SEC. 3. Section 4 of the Trade-Mark Act of February 20, 1905, as amended, is further amended by deleting therefrom the following: "Provided further, That subject to the provisions of section 5 of said Trade-Mark Act (U. S. C., title 15, sec. 85) registration of a collective mark may be issued to an association to which it belongs, which association is located in any such foreign country and whose existence is not contrary to the law of such country, even if it does not possess an industrial or commercial establishment:"

Registration of collective mark belonging to association.  
33 Stat. 725.  
15 U. S. C. § 84.  
Proviso deleted.

SEC. 4. Registrations heretofore granted under that portion of section 4 of the Trade-Mark Act of February 20, 1905, as amended, repealed by section 3 of this Act, shall hereafter have the same force and effect as if granted under section 1 of this Act, and applications pending under such portion of such section 4 shall be considered in accordance with the provisions of section 1 of this Act.

Registrations of foreign associations heretofore granted; effect of.

SEC. 5. Section 29 of the Trade-Mark Act of February 20, 1905, is amended to read as follows:

33 Stat. 731.  
15 U. S. C. § 108.

"SEC. 29. In construing this Act the following rules must be observed, except where the contrary intent is plainly apparent from the context thereof: The United States includes and embraces all territory which is under the jurisdiction and control of the United States. The word 'States' includes and embraces the District of Columbia, the Territories of the United States, and such other territory as shall be under the jurisdiction and control of the United States. The terms 'person' and 'owner', and any other word or term used to designate the applicant or other entitled to a benefit or privilege or rendered liable under the provisions of this Act, include a firm, corporation, or association as well as a natural person. The term 'juristic person' includes a firm, corporation, association or similar organization capable of suing and being sued in a court of law. The terms 'applicant' and 'registrant' embrace the successors and assigns of such applicant or registrant. The term 'trade-mark' includes any mark which is entitled to registration under the terms of this Act, and whether registered or not, and a trade-mark shall be deemed to be 'affixed' to an article when it is placed in any manner in or upon either the article itself or the receptacle or package or upon the envelope or other thing in, by, or with which the goods are packed or enclosed or otherwise prepared for sale or distribution."

Rules of construction.

Approved, June 10, 1938.

#### [CHAPTER 333]

#### JOINT RESOLUTION

Supplementing and amending the Act for the incorporation of Washington College of Law, organized under and by virtue of a certificate of incorporation pursuant to class 1, chapter 18, of the Revised Statutes of the United States relating to the District of Columbia.

June 10, 1938  
[H. J. Res. 582]  
[Pub. Res., No. 106]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the certificate of incorporation of Washington College of Law, of Washington, District of Columbia, under chapter 18 of the Code of Laws of the District of Columbia (1929 D. C. Code, title 5, ch. 8), be, and the same is hereby, approved and confirmed, except as herein specifically altered and amended.*

District of Columbia.  
Washington College of Law; incorporation, etc., approved.  
31 Stat. 1280.  
5 D. C. Code, ch. 8.

Board of trustees;  
membership, terms of  
office.

SEC. 2. That the management of said corporation shall be vested in a board of trustees consisting of not less than six nor more than eleven in number, as determined from time to time by said board of trustees; that Edwin C. Dutton, Mary O'Toole, Bessie Parker Brueggeman, John E. Laskey, Katharine R. Pike, and Harry G. Meem shall act as and constitute the first board of trustees under this Act and shall be classified with respect to the time for which they shall severally originally hold office into three equal classes, the first class for the term of one year, the second class for the term of two years, and the third class for the term of three years; the respective original terms of office of any additional trustees shall be such as to equalize said three classes, as far as possible; and the successors to each said class of trustees shall severally hold office for the term of three years, so that the term of office of one class shall expire annually.

Powers and author-  
ity of board.

SEC. 3. That the said board of trustees is authorized to (a) make, alter, and repeal bylaws for the management of the said corporation and rules and regulations for the government of the institution and the "schools", faculty, and students thereof; (b) elect as officers of the said corporation a president, a vice president, a treasurer, and a secretary, and such other officers as it may find necessary, for the respective terms and with the respective powers and duties as fixed by the bylaws of the said corporation; (c) remove any trustee when, in its judgment, he shall be found incapable, by age or otherwise, of performing or discharging, or shall neglect or refuse to perform or discharge, the duties of his office; (d) create and establish schools and departments of learning to be connected with and become a part of said institution, and establish such scholastic boards and officers as may be required for academic operation and direction in education; (e) appoint, from time to time, such deans, professors, tutors, and instructors as it may deem necessary, and fix their respective terms, duties, and salaries; and (f) grant and confer degrees.

Corporate powers,  
etc.

SEC. 4. The said corporation shall adopt a common seal, under and by which all deeds, diplomas, and acts of the said corporation shall pass and be authenticated, and the same seal at their pleasure to break and alter, or to devise a new one.

Use of income.

SEC. 5. That the income of the said corporation from all sources whatsoever shall be held in the name of Washington College of Law and applied to the maintenance, endowment, promotion, and advancement of the institution, subject to conforming to the express conditions of the donor of any gift, devise, or bequest accepted by the said corporation, with regard to the income therefrom.

Amendment, etc.

SEC. 6. That nothing in this joint resolution contained shall be construed as preventing the Congress from amending, altering, annulling, or repealing the same or any part thereof.

Approved, June 10, 1938.

#### [CHAPTER 335]

#### AN ACT

June 10, 1938  
[S. 3820]

[Public, No. 587]

To authorize membership on behalf of the United States in the International Criminal Police Commission.

International Crimi-  
nal Police Commis-  
sion.

Membership on be-  
half of United States  
authorized.

Post, p. 1136.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Attorney General is hereby authorized to accept and maintain, on behalf of the United States, membership in the International Criminal Police Commission and to incur the necessary expenses therefor not to exceed \$1,500 per annum.

Approved, June 10, 1938.

## [CHAPTER 337]

## AN ACT

To authorize an increase in the basic allotment of enlisted men to the Air Corps within the total enlisted strength provided in appropriations for the Regular Army.

June 11, 1938  
[S. 3822]  
[Public, No. 588]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 13a of the Act approved June 3, 1916, as amended by the Act approved July 2, 1926 (44 Stat. 780), be, and the same is hereby, amended by striking out the words "sixteen thousand" in line 5 and inserting in lieu thereof the words "twenty-one thousand five hundred".

Approved, June 11, 1938.

Air Corps, Army.  
Increase in basic allotment to, authorized.  
44 Stat. 780.  
10 U. S. C. § 291.

## [CHAPTER 338]

## AN ACT

To amend the Act of August 9, 1935 (Public, Numbered 259, Seventy-fourth Congress, first session).

June 11, 1938  
[H. R. 10643]  
[Public, No. 589]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That so much of the Act of August 9, 1935 (Public, Numbered 259, Seventy-fourth Congress, first session), as relates to the Baltimore and Ohio Railroad Company and the Philadelphia, Baltimore and Washington Railroad Company constructing a suitable viaduct bridge above the said railroads connecting Brentwood Road and T Street Northeast with New York Avenue, as requires the construction thereof within two years after being directed so to do by the Commissioners of the District of Columbia, is hereby amended by extending such time for initiating this construction to October 20, 1940, and for the completion thereof within eighteen months thereafter.

Approved, June 11, 1938.

District of Columbia.  
Time extended for construction of viaduct bridge by designated railroads.  
49 Stat. 568.

## [CHAPTER 339]

## JOINT RESOLUTION

For the designation of a street or avenue to be known as "Maine Avenue".

June 11, 1938  
[H. J. Res. 658]  
[Pub. Res., No. 107]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That in honor of the State of Maine that part of Water Street Southwest, in the District of Columbia, lying between Fourteenth Street Southwest and P Street Southwest, is hereby renamed "Maine Avenue" and shall hereafter bear the name of "Maine Avenue".

Approved, June 11, 1938.

District of Columbia.  
Name of part of Water Street SW. changed to Maine Avenue.

## [CHAPTER 340]

## JOINT RESOLUTION

For the designation of a street to be known as "Oregon Avenue", and for other purposes.

June 11, 1938  
[H. J. Res. 672]  
[Pub. Res., No. 108]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That, in honor of the State of Oregon, Daniel Road Northwest, in the District of Columbia, is hereby renamed "Oregon Avenue" and shall hereafter bear the name of "Oregon Avenue".

SEC. 2. The street in the District of Columbia running through squares 132 and 152, known as "Oregon Avenue" prior to the enactment of this joint resolution is hereby renamed "Swann Street" and shall be a part of the street heretofore designated as "Swann Street".

Approved, June 11, 1938.

District of Columbia.  
Name of Daniel Road NW. changed to Oregon Avenue.

Former Oregon Avenue renamed Swann Street.



## [CHAPTER 347]

## AN ACT

June 11, 1938  
[H. R. 9995]  
[Public, No. 590]

Making appropriations for the Military Establishment for the fiscal year ending June 30, 1939, and for other purposes.

Military Appropriation Act, 1939.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Military Establishment for the fiscal year ending June 30, 1939, and for other purposes, namely:

## War Department.

## SALARIES, WAR DEPARTMENT

Personal services,  
D. C.

For compensation for personal services in the District of Columbia, as follows:

Office of Secretary  
of War.

*Proviso.*  
Use of field-service  
appropriations re-  
stricted.

Designated offices.

World War person-  
nel records.

Office of Secretary of War: Secretary of War, Assistant Secretary of War, and other personal services, \$280,200: *Provided*, That no field-service appropriation shall be available for personal services in the War Department except as may be expressly authorized herein.

Office of Chief of Staff, \$231,980.

Adjutant General's office, \$1,385,340.

For personal services, to be employed exclusively in assembling, classifying, and indexing the military personnel records of the World War, and for the purchase of necessary supplies and materials used in such work, \$80,000.

Office of the Inspector General, \$27,220.

Office of the Judge Advocate General, \$109,410.

Office of the Chief of Finance, \$392,340.

Office of the Quartermaster General, \$781,900.

Office of the Chief Signal Officer, \$140,140.

Office of the Chief of Air Corps, \$242,560.

Office of the Surgeon General, \$278,290.

Office of Chief of Bureau of Insular Affairs, \$66,400.

Office of Chief of  
Engineers.

*Provisos.*  
Draftsmen, etc.,  
payable from other  
appropriations.

Office of Chief of Engineers, \$131,300: *Provided*, That the services of skilled draftsmen, civil engineers, and such other services as the Secretary of War may deem necessary may be employed only in the office of the Chief of Engineers, to carry into effect the various appropriations for rivers and harbors and flood control, surveys, and preparation for and the consideration of river and harbor and flood control estimates and bills, to be paid from such appropriations: *Provided further*, That the expenditures on this account for the fiscal year 1939 shall not exceed \$413,840; the Secretary of War shall each year, in the Budget, report to Congress the number of persons so employed, their duties, and the amount paid to each.

Maximum expendi-  
tures, 1939.  
Report to Congress.

Office of Chief of  
Ordnance.

*Provisos.*  
Technical, etc., serv-  
ices.

Office of Chief of Ordnance, \$428,350: *Provided*, That the services of such additional technical and clerical personnel as the Secretary of War may deem necessary may be employed only in the office of the Chief of Ordnance, to carry into effect the various appropriations for development, manufacture, storage, and issue of ordnance and ordnance stores, to be paid from such appropriations: *Provided further*, That the expenditures on this account for the fiscal year 1939 shall not exceed \$70,000, and the Secretary of War shall each year, in the Budget, report to Congress the number of persons so employed, their duties, and the amount paid to each.

Maximum expendi-  
tures, 1939.  
Report to Congress.

Office of Chief of Chemical Warfare Service, \$50,337.

Office of Chief of Coast Artillery, \$31,220.

National Guard Bureau, War Department, \$152,400.

*Proviso.*  
No increase in cer-  
tain details.

In all, salaries, War Department, \$4,809,387: *Provided*, That the number of warrant officers and enlisted men on duty in the offices of the Chiefs of Ordnance, Engineers, Coast Artillery, Field Artillery,

Cavalry, Infantry, and Chaplains on March 5, 1934, shall not be increased, and in lieu of warrant officers and enlisted men whose services in such offices shall have been terminated for any cause prior to July 1, 1939, their places may be filled by civilians, for the pay of whom, in accordance with the Classification Act of 1923, as amended, the appropriation "Pay of the Army" shall be available.

In expending appropriations or portions of appropriations contained in this Act, for the payment for personal services in the District of Columbia in accordance with the Classification Act of 1923, as amended, with the exception of the Assistant Secretary of War, the average of the salaries of the total number of persons under any grade in any bureau, office, or other appropriation unit shall not at any time exceed the average of the compensation rates specified for the grade by such Act, as amended, and in grades in which only one position is allocated the salary of such position shall not exceed the average of the compensation rates for the grade, except that in unusually meritorious cases of one position in a grade advances may be made to rates higher than the average of the compensation rates of the grade but not more often than once in any fiscal year and then only to the next higher rate: *Provided*, That this restriction shall not apply (1) to grades 1, 2, 3, and 4 of the clerical-mechanical service, or (2) to require the reduction in salary of any person whose compensation was fixed as of July 1, 1924, in accordance with the rules of section 6 of such Act, (3) to require the reduction in salary of any person who is transferred from one position to another position in the same or different grade in the same or a different bureau, office, or other appropriation unit, (4) to prevent the payment of a salary under any grade at a rate higher than the maximum rate of the grade when such higher rate is permitted by the Classification Act of 1923, as amended, and is specifically authorized by other law, or (5) to reduce the compensation of any person in a grade in which only one position is allocated.

## OFFICE OF THE SECRETARY

### CONTINGENT EXPENSES, WAR DEPARTMENT

For stationery; purchase of professional and scientific books, law books, including their exchange; books of reference, pamphlets, periodicals, newspapers, maps; typewriting and adding machines, and other labor-saving devices, including their repair and exchange; furniture and repairs to same; carpets, linoleum, filing equipment, photo supplies, towels, ice, brooms, soap, sponges; purchase and exchange of two motor trucks, and maintenance, repair, and operation of motor trucks and one motor-propelled passenger-carrying vehicle, to be used only for official purposes; freight and express charges; street-car fares; postage to Postal Union countries; and other absolutely necessary expenses, \$261,000, and it shall not be lawful to expend, unless otherwise specifically provided herein, for any bureau, office, or branch of the War Department or of the Army having or maintaining an office in the War Department proper, at Washington, District of Columbia, any sum out of appropriations contained in this Act (or accruing thereto) made for the Military Establishment for any of the purposes mentioned or authorized in this paragraph.

### LIBRARY, SURGEON GENERAL'S OFFICE

For the purchase of the necessary books of reference, periodicals, and technical supplies and equipment, \$25,000.

Civilians to fill vacancies.

5 U. S. C. §§ 661-674; Supp. III, §§ 673, 673c. Funds available.

Restriction on exceeding average salaries.

42 Stat. 1488.  
5 U. S. C. §§ 661-674; Supp. III, §§ 673, 673c.

Exception.

*Proviso.*  
Restriction not applicable to clerical-mechanical service. No reduction in fixed salaries.  
42 Stat. 1490.  
5 U. S. C. § 666. Transfers without reduction.

Higher rates permitted.

If only one position in a grade.

Office of the Secretary.

Department contingent expenses.

Surgeon General's office.  
Library expenses.

Army Medical Museum.  
Preservation, etc., of specimens.

#### ARMY MEDICAL MUSEUM

For the procurement, preparation, and preservation of specimens and the purchase of technical supplies and equipment, \$10,000.

#### PRINTING AND BINDING, WAR DEPARTMENT

Printing and binding.

For printing and binding for the War Department, its bureaus and offices, and for all printing and binding for the field activities under the War Department, except such as may be authorized in accordance with existing law to be done elsewhere than at the Government Printing Office, \$495,000: *Provided*, That the sum of \$3,000, or so much thereof as may be necessary, may be used for the publication, from time to time, of bulletins prepared under the direction of the Surgeon General of the Army, for the instruction of medical officers, when approved by the Secretary of War.

*Proviso.*  
Medical bulletins.

Military activities.

#### MILITARY ACTIVITIES

##### CONTINGENCIES OF THE ARMY

Army contingencies.

For all emergencies and extraordinary expenses, including the employment of translators, and exclusive of all other personal services in the War Department or any of its subordinate bureaus or offices in the District of Columbia, or in the Army at large, but impossible to be anticipated or classified, and for examination of estimates of appropriations and of military activities in the field, to be expended on the approval or authority of the Secretary of War, and for such purposes as he may deem proper, and his determination thereon shall be final and conclusive upon the accounting officers of the Government, \$17,500.

General Staff Corps.

#### GENERAL STAFF CORPS

Military Intelligence Division.  
Contingent expenses.

##### CONTINGENCIES, MILITARY INTELLIGENCE DIVISION

Observing operations of foreign armies.

For contingent expenses of the Military Intelligence Division, General Staff Corps, and maintenance of the military attachés at the United States embassies and legations abroad, including the purchase of law books, professional books of reference, and subscriptions to newspapers and periodicals; for the hire of interpreters, special agents, and guides, and for such other purposes as the Secretary of War may deem proper, including not to exceed \$5,000 for the actual and necessary expenses of officers of the Army on duty abroad for the purpose of observing operations of armies of foreign states at war, to be paid upon certificates of the Secretary of War that the expenditures were necessary for obtaining military information, \$89,450, to be expended under the direction of the Secretary of War, and \$10,000 of such sum shall be available immediately: *Provided*, That section 3648, Revised Statutes (31 U. S. C. 529), shall not apply to payments made from appropriations contained in this Act in compliance with the laws of foreign countries or their ministerial regulations under which the military attachés are required to operate.

*Proviso.*  
Provisions waived.  
R. S. § 3648.  
31 U. S. C. § 529.

Field exercises.

#### FIELD EXERCISES

Participation by National Guard, etc.

For expenses required for the conduct of special field exercises, including participation therein by the National Guard and the Organized Reserves, comprising allowances for enlisted men for quarters and rations, movement of matériel, maintenance and operation of structures and utilities, and any other requisite supplies and services, and for settlement of claims (not exceeding \$500 each) for damages to or loss of private property resulting from such exercises

Supplies and services.  
Private property damage claims.

that have accrued or may hereafter accrue, when payment thereof will be accepted by the owners of the property in full satisfaction of such damages, and each claim is substantiated by a report of a board of officers appointed by the commanding officer of the troops engaged, and is approved by the Secretary of War, whose action thereon shall be conclusive, \$370,248.

#### ARMY WAR COLLEGE

Army War College.

For expenses of the Army War College, being for the purchase of the necessary special stationery; textbooks, books of reference, scientific and professional papers, newspapers, and periodicals; maps; police utensils; employment of temporary, technical, or special services, and expenses of special lectures; for the pay of employees; and for all other absolutely necessary expenses, \$74,318.

Expenses.

#### ADJUTANT GENERAL'S DEPARTMENT

Adjutant General's Department.

##### COMMAND AND GENERAL STAFF SCHOOL, FORT LEAVENWORTH, KANSAS

For the purchase of textbooks, books of reference, scientific and professional papers, instruments, and material for instruction; employment of temporary technical, special, and clerical services; and for other necessary expenses of instruction, at the Command and General Staff School, Fort Leavenworth, Kansas, \$45,100.

Command and General Staff School, Fort Leavenworth, Kans.

#### WELFARE OF ENLISTED MEN

Welfare of enlisted men.

For the equipment and conduct of school, reading, lunch, and amusement rooms, service clubs, chapels, gymnasiums, and libraries, including periodicals and other publications and subscriptions for newspapers, salaries of civilians employed in the hostess and library services, transportation of books and equipment for these services, rental of films, purchase of slides for and making repairs to moving-picture outfits, and for similar and other recreational purposes at training and mobilization camps now established or which may be hereafter established, \$34,940.

Equipment and conduct of clubs, libraries, etc.

#### FINANCE DEPARTMENT

Finance Department.

##### PAY OF THE ARMY

Pay of the Army.

For pay of not to exceed an average of twelve thousand five hundred and seventy-five commissioned officers, \$35,162,068; pay of officers, National Guard, \$100; pay of warrant officers, \$1,371,836; aviation increase to commissioned and warrant officers of the Army, including not to exceed five medical officers, \$2,531,537, none of which shall be available for increased pay for making aerial flights by nonflying officers at a rate in excess of \$1,440 per annum, which shall be the legal maximum rate as to such nonflying officers; additional pay to officers for length of service, \$10,275,191; pay of an average of not to exceed one hundred and sixty-five thousand enlisted men of the line and staff, not including the Philippine Scouts, \$68,764,504; Regular Army Reserve, \$400,000; pay of enlisted men of National Guard, \$100; aviation increase to enlisted men of the Army, \$660,128; pay of enlisted men of the Philippine Scouts, \$1,050,447; additional pay for length of service to enlisted men, \$5,437,353; pay of the officers on the retired list, \$13,123,676; increased pay to not to exceed seven retired officers on active duty, \$8,213; pay of retired enlisted men, \$13,725,080; pay not to exceed sixty civil-service messengers at not to exceed \$1,200 each at headquarters of the several Territorial departments, corps

Officers.

Flights by nonflying officers.

Longevity.  
Enlisted men.

Regular Army Reserve.  
National Guard.  
Aviation increase.  
Philippine Scouts.  
Longevity.  
Retired officers, etc.

Civil-service messengers at headquarters, etc.

Contract surgeons,  
nurses, etc.  
Rent, subsistence,  
etc.

Payment of ex-  
change by officers  
serving in foreign  
countries.

Accounting.  
*Provisos.*  
No allowance to  
officer owning mount.

35 Stat. 108.  
10 U. S. C. § 803.  
Citizenship require-  
ments.

No pay beyond en-  
listment period, etc.

Foreign language in-  
structors.

Filipinos in Army  
Transport Service,  
etc.

Reenlistment of  
aliens.

50 Stat. 696.  
Receipts of public  
moneys, use of.

Pay forbidden to a  
retired officer selling  
supplies to Army.

Engaging in issuing  
certain service publi-  
cations.

*Proviso.*  
*Exemption.*

Travel allowances,  
etc.

areas, Army and corps headquarters, Territorial districts, tactical divisions and brigades, service schools, camps, and ports of embarkation and debarkation, \$72,000; pay and allowances of contract surgeons, \$42,276; pay of nurses, \$949,720; rental allowances, including allowances for quarters for enlisted men on duty where public quarters are not available, \$6,765,280; subsistence allowances, \$6,659,228; interest on soldiers' deposits, \$45,000; payment of exchange by officers serving in foreign countries, and when specially authorized by the Secretary of War, by officers disbursing funds pertaining to the War Department, when serving in Alaska, and all foreign money received shall be charged to and paid out by disbursing officers of the Army at the legal valuation fixed by the Secretary of the Treasury, \$100; in all, \$167,043,837; and the money herein appropriated for "Pay of the Army" shall be accounted for as one fund: *Provided*, That during the fiscal year ending June 30, 1939, no officer of the Army shall be entitled to receive an addition to his pay in consequence of the provisions of the Act approved May 11, 1908 (10 U. S. C. 803): *Provided further*, That no part of this or any other appropriation contained in this Act shall be available for the pay of any person, civil or military, not a citizen of the United States, unless in the employ of the Government or in a pay status on July 1, 1937, under appropriations for the War Department, nor for the pay of any such person beyond the period of enlistment or termination of employment, but nothing herein shall be construed as applying to instructors of foreign languages at the Military Academy, or to Filipinos in the Army Transport Service, or to persons employed outside of the continental limits of the United States except enlisted men of the Regular Army, other than Philippine Scouts, upon expiration of enlistment and this provision shall be subject to the provisions of the Act entitled "An Act for the protection of certain enlisted men of the Army", approved August 19, 1937: *Provided further*, That, without deposit to the credit of the Treasurer of the United States and withdrawal on money requisitions, receipts of public moneys from sales or other sources by officers of the Army on disbursing duty and charged in their official accounts, except receipts to be credited to river and harbor and flood-control appropriations and retirement deductions, may be used by them as required for current expenditures, all necessary bookkeeping adjustments of appropriations, funds, and accounts to be made in the settlement of their disbursing accounts.

No payment shall be made from money appropriated in this Act to any officer on the retired list of the Army who, for himself or for others, is engaged in the selling of, contracting for the sale of, or negotiating for the sale of, to the Army or the War Department, any war materials or supplies.

No appropriation for the pay of the Army shall be available for the pay of any officer or enlisted man on the active list of the Army who is engaged in any manner with any publication which is or may be issued by or for any branch or organization of the Army or military association in which officers or enlisted men have membership and which carries paid advertising of firms doing business with the War Department: *Provided, however*, That nothing herein contained shall be construed to prohibit officers from writing or disseminating articles in accordance with regulations issued by the Secretary of War.

#### TRAVEL OF THE ARMY

For travel allowances and travel in kind, as authorized by law, for persons traveling in connection with the military activities of

the War Department, including mileage, transportation, reimbursement of actual expenses, or per diem allowances, to officers and contract surgeons; transportation of troops; transportation, or reimbursement therefor, of nurses, enlisted men, recruits, recruiting parties, applicants for enlistment between recruiting stations and recruiting depots, rejected applicants for enlistment, general prisoners, cadets and accepted cadets from their homes to the Military Academy, discharged cadets, civilian employees, civilian witnesses before courts martial, and dependents of military personnel; travel pay to discharged military personnel; transportation of discharged prisoners and persons discharged from Saint Elizabeths Hospital after transfer thereto from the military service, to their homes, or elsewhere as they may elect, the cost in each case not to be greater than to the place of last enlistment; hot coffee for troops traveling when supplied with cooked or travel rations; commutation of quarters and rations to enlisted men traveling on detached duty when it is impracticable to carry rations, and to applicants for enlistment and general prisoners traveling under orders; per diem allowances or actual cost of subsistence while in a travel status, to nurses, civilian employees, and civilian witnesses before courts martial, \$2,720,850, and, in addition \$77,644 of the appropriation "Travel of the Army, 1938", such amount of such appropriation being hereby reappropriated, and of the total of such amounts \$286,702 shall be available immediately, and such total amount may be increased, subject to the approval of the Director of the Bureau of the Budget, by transfers from other appropriations contained in this Act of such amounts as may be required in addition to those herein provided for travel in connection with development, procurement, production, maintenance, or construction activities; and, with such exception, no other appropriation in this Act shall be available for any expense for or incident to travel of personnel of the Regular Army or civilian employees under the War Department, except the appropriation "Contingencies of the Army" and the appropriations for the National Guard, the Organized Reserves, the Reserve Officers' Training Corps, citizens' military training camps, and the National Board for the Promotion of Rifle Practice, and except as may be provided for in the appropriation "Air Corps, Army": *Provided*, That the expert accountant, Inspector General's Department, shall be entitled to the same travel allowances as other employees of the War Department: *Provided further*, That, in addition to the authority contained in section 67, National Defense Act of June 3, 1916, as amended, a total of not to exceed \$2,500 of the appropriations available to the War Department chargeable with expenses of travel shall be available for expenses incident to attendance at meetings of technical, professional, scientific, and other similar organizations, when, in the judgment of the Secretary of War, such attendance would be of benefit in the conduct of the work of the War Department: *Provided further*, That the appropriation "Travel of the Army" current at the date of relief from duty station of personnel traveling under orders shall be charged with all expenses properly chargeable to such appropriation in connection with the travel enjoined, including travel expenses of dependents, regardless of the dates of arrival at destination of the persons so traveling.

Recruiting expenses.

Commutation of quarters, rations, etc.

Civilians.

Increases, by transfers from other appropriations.

Restriction.

*Provisos.*  
Travel allowance, expert accountant.

Attendance at meetings.  
39 Stat. 199.  
32 U. S. C. § 22.

"Travel of the Army" to include dependents.

#### EXPENSES OF COURTS MARTIAL

For expenses of courts martial, courts of inquiry, military commissions, retiring boards, and compensation of reporters and witnesses attending same, contract stenographic reporting services, and expenses of taking depositions and securing other evidence for use before the same, \$40,000.

Courts martial, expenses.

Deserters, etc.

## APPREHENSION OF DESERTERS, AND SO FORTH

Apprehension, etc.

For the apprehension, securing, and delivering of soldiers absent without leave and of deserters, including escaped military prisoners, and the expenses incident to their pursuit; and no greater sum than \$25 for each deserter or escaped military prisoner shall, in the discretion of the Secretary of War, be paid to any civil officer or citizen for such services and expenses; for a donation of \$10 to prisoner discharged otherwise than honorably upon his release from confinement under court-martial sentence involving dishonorable discharge, \$15,000.

Finance Service.

## FINANCE SERVICE

Clerks, etc.

For compensation of clerks and other employees of the Finance Department, including not to exceed \$900 for any one person for allowances for living quarters, including heat, fuel, and light, as authorized by the Act approved June 26, 1930 (5 U. S. C. 118a), \$1,167,410.

46 Stat. 818.  
5 U. S. C. § 118a.Private property  
damages.

## CLAIMS FOR DAMAGES TO AND LOSS OF PRIVATE PROPERTY

Payment of claims.

For payment of claims, including claims of military and civilian personnel in and under the War Department, not exceeding \$500 each in amount for damages to or loss of private property incident to the training, practice, operation, or maintenance of the Army that have accrued, or may hereafter accrue, from time to time, \$10,000: *Provided*, That settlement of such claims shall be made by the General Accounting Office, upon the approval and recommendation of the Secretary of War, where the amount of damages has been ascertained by the War Department, and payment thereof will be accepted by the owners of the property in full satisfaction of such damages.

*Proviso.*  
Settlement by Gen-  
eral Accounting  
Office, etc.

Destruction of pri-  
vate property of offi-  
cers, etc.CLAIMS OF OFFICERS, ENLISTED MEN, AND NURSES OF THE ARMY FOR  
DESTRUCTION OF PRIVATE PROPERTY

Payment of claims.

For the payment of claims of officers, enlisted men, and nurses of the Army for private property lost, destroyed, captured, abandoned, or damaged in the military service of the United States, under the provisions of an Act approved March 4, 1921 (31 U. S. C. 218-222), \$18,500.

41 Stat. 1436.  
31 U. S. C. §§ 218-  
222.Quartermaster  
Corps.

## QUARTERMASTER CORPS

Subsistence of the  
Army.

Subsistence of the Army: Purchase of subsistence supplies: For issue as rations to troops, including retired enlisted men when ordered to active duty, civil employees when entitled thereto, hospital matrons, applicants for enlistment while held under observation, general prisoners of war, and general prisoners at posts; ice for issue to organizations of enlisted men and officers at such places as the Secretary of War may determine, and for preservation of stores; for the subsistence of the masters, officers, crews, and employees of the vessels of the Army Transport Service; meals for recruiting parties and applicants for enlistment while under observation; for sales to officers, including members of the Officers' Reserve Corps while on active duty, and enlisted men of the Army. For payments: Of the regulation allowances of commutation in lieu of rations to enlisted men on furlough, and to enlisted men when stationed at places where rations in kind cannot be economically issued, including retired enlisted men when ordered to active duty. For payment of the regulation allowance of commutation in lieu of rations for enlisted men, applicants for enlistment while held under observation, civilian employees who are entitled to subsistence at public expense, and general prisoners while sick in hospitals, to be paid to the sur-

Army Transport  
Service.

Sales to officers, etc.

Commutation al-  
lowances.

geon in charge; advertising; for providing prizes to be established by the Secretary of War for enlisted men of the Army who graduate from the Army schools for bakers and cooks, the total amount of such prizes at the various schools not to exceed \$900 per annum; and for other necessary expenses incident to the purchase, testing, care, preservation, issue, sale, and accounting for subsistence supplies for the Army; in all, \$30,022,750: *Provided*, That none of the money appropriated in this Act shall be used for the purchase of oleomargarine or butter substitutes for other than cooking purposes, except to supply an expressed preference therefor or for use where climatic or other conditions render the use of butter impracticable.

**Regular supplies of the Army:** Regular supplies of the Quartermaster Corps, including their care and protection; field ranges, field stoves for cooking food, coffee roasters, field bakery equipment, and appliances for cooking and serving food at posts (except fixed installations in buildings), in the field and when traveling, and repair and maintenance of such equipment; authorized issues of candles and matches; authorized issues of soap, toilet paper, and towels; for the necessary furniture, textbooks, paper, and equipment for the post schools and libraries, and for schools for noncommissioned officers; for the purchase and issue of instruments, office furniture, stationery, and other authorized articles for the use of officers' schools at the several military posts; for purchase of commercial newspapers, periodicals, market reports, technical books, and so forth; for equipment and furniture for kitchens and mess halls, each and all for the enlisted men, including recruits; for forage, salt, and vinegar for the horses, mules, oxen, and other draft and riding animals of the Quartermaster Corps at the several posts and stations and with the armies in the field, for the horses of the several regiments of Cavalry and batteries of Artillery and such companies of Infantry and Scouts as may be mounted, and for remounts and for the authorized number of officers' horses, including bedding for the animals; for seeds and implements required for the raising of forage at remount depots and on military reservations in the Hawaiian, Philippine, and Panama Canal Departments, and for labor and expenses incident thereto, including, when specifically authorized by the Secretary of War, the cost of irrigation; for the purchase of implements and hire of labor for harvesting hay on military reservations; for straw for soldiers' bedding, stationery, typewriters and exchange of same, including blankbooks and blank forms for the Army, certificates for discharged soldiers, and for printing department orders and reports, \$3,581,170, including not to exceed \$5,000 for the procurement without regard to section 3709, Revised Statutes (41 U. S. C. 5), of portable stoves or ranges for experimental purposes and tests.

**Clothing and equipage:** For cloth, woollens, materials, and for the purchase and manufacture of clothing for the Army, including retired enlisted men when ordered to active duty for issue and for sale; for payment of commutation of clothing due to warrant officers of the mine-planter service and to enlisted men; for altering and fitting clothing and washing and cleaning when necessary; for operation of laundries, existing or now under construction, including purchase and repair of laundry machinery therefor; for the authorized issues of laundry materials for use of general prisoners confined at military posts without pay or allowances, and for applicants for enlistment while held under observation; for equipment and repair of equipment of existing dry-cleaning plants, salvage and sorting storehouses, hat-repairing shops, shoe-repair shops, clothing-repair shops, and garbage-reduction works; for equipage, including authorized issues of toilet articles, barbers' and tailors' material, for use of general prisoners confined at military posts without pay or allowances

Prizes, etc.

Subsistence supplies.

*Proviso.*  
Butter substitutes,  
restriction.Regular supplies of  
the Army.  
Field cooking appli-  
ances, etc.Furniture, school  
supplies, etc.Periodicals, tech-  
nical books, etc.

Forage, etc.

Seeds and imple-  
ments.Bedding, station-  
ery, etc.R. S. § 3709.  
41 U. S. C. § 5.Clothing and equi-  
page.  
Purchase, manu-  
facture, etc.

Laundries, etc.

Repair shops.



Toilet kits.	and applicants for enlistment while held under observation; issue of toilet kits to recruits upon their first enlistment, and issue of housewives to the Army; for expenses of packing and handling and similar necessities; for a suit of citizen's outer clothing and when necessary an overcoat, the cost of all not to exceed \$30, to be issued each soldier discharged otherwise than honorably, to each enlisted man convicted by civil court for an offense resulting in confinement in a penitentiary or other civil prison, and to each enlisted man ordered interned by reason of the fact that he is an alien enemy, or, for the same reason, discharged without internment; for indemnity to officers and men of the Army for clothing and bedding, and so forth, destroyed since April 22, 1898, by order of medical officers of the Army for sanitary reasons, \$13,420,900, of which amount not exceeding \$60,000 shall be available immediately for the procurement and transportation of fuel for the service of the fiscal year 1939: <i>Provided</i> , That laundry charges, other than for service now rendered without charge, shall be so adjusted that earnings in conjunction with the value placed upon service rendered without charge shall aggregate an amount not less than \$50,000 below the cost of maintaining and operating laundries and dry-cleaning plants.
Citizen's outer clothing.	
Indemnity for destroyed clothing, etc.	
Fuel.	
<i>Proviso.</i> Laundry charges.	
Incidental expenses.	Incidental expenses of the Army: Postage; hire of laborers in the Quartermaster Corps, including the care of officers' mounts when the same are furnished by the Government; compensation of clerks and other employees of the Quartermaster Corps, including not to exceed \$900 for any one person for allowances for living quarters, including heat, fuel, and light, as authorized by the Act of June 26, 1930 (5 U. S. C. 118a), and clerks, foremen, watchmen, and organist for the United States Disciplinary Barracks; incidental expenses of recruiting; for the operation of coffee-roasting plants; for the payment of entrance fees for Army rifle and pistol teams participating in competitions; for tests and experimental and development work and scientific research to be performed by the Bureau of Standards for the Quartermaster Corps; for inspection service and instruction furnished by the Department of Agriculture which may be transferred in advance; for such additional expenditures as are necessary and authorized by law in the movements and operation of the Army and at military posts, and not expressly assigned to any other departments, \$3,623,000.
Living quarters.	
46 Stat. 818. 5 U. S. C. § 118a.	
Recruiting.	
Rifle competition, fees, tests, etc.	
Inspection service, etc.	
Operating expenses.	
Army transportation. Supplies.	Army transportation: For transportation of Army supplies; of authorized baggage, including packing and crating; of horse equipment; and of funds for the Army; for transportation on Army vessels, notwithstanding the provisions of other law, of privately owned automobiles of Regular Army personnel upon change of station; for the purchase or construction, not to exceed \$242,000, alteration, operation, and repair of boats and other vessels; for wharfage, tolls, and ferriage; for drayage and cartage; for the purchase, manufacture (including both material and labor), maintenance, hire, and repair of pack saddles and harness; for the purchase, hire, operation, maintenance, and repair of wagons, carts, drays, other vehicles, and horse-drawn and motor-propelled passenger-carrying vehicles required for the transportation of troops and supplies and for official military and garrison purposes; for hire of draft and pack animals; for travel allowances to officers of National Guard on discharge from Federal service as prescribed in the Act of March 2, 1901 (10 U. S. C. 751), and to enlisted men of National Guard on discharge from Federal service, as prescribed in amendatory Act of September 22, 1922 (10 U. S. C. 752), and to members of the National Guard who have been mustered into Federal service and discharged on account of disability; in all, \$12,922,590, of which amount not exceeding \$250,000 for the procurement and transporta-
Privately owned automobiles.	
Boats, etc.	
Vehicles.	
Travel allowances, National Guard.	
31 Stat. 902. 10 U. S. C. § 751.	
42 Stat. 1021. 10 U. S. C. § 752.	
Fuel and vehicles, amount immediately available for purchase.	

tion of fuel for the service of the fiscal year 1939, and not exceeding \$1,000,000 for the procurement of motor vehicles, shall be available immediately: *Provided*, That not to exceed \$225,000 may be expended for the purchase of light and medium passenger-carrying automobiles at a unit cost of not to exceed \$750 for light automobiles and \$1,200 for medium automobiles, including the value of any vehicle exchanged, and not to exceed \$275,000 may be expended for the purchase or exchange of motor-propelled ambulances, motorcycles, and trucks of station-wagon type: *Provided further*, That no appropriation contained in this Act shall be available for any expense of any character, other than as may be incident to salvaging or scrapping, on account of any motor-propelled vehicle procured prior to January 1, 1920, except tanks, tractors, ambulances, fire trucks, search-light trucks, three hundred and ninety modernized Class B trucks, and vehicles in use by Reserve Officers' Training Corps units on February 19, 1935: *Provided further*, That during the fiscal year 1939 the cost of transportation from point of origin to the first point of storage or consumption of supplies, equipment, and material in connection with the manufacturing and purchasing activities of the Quartermaster Corps may be charged to the appropriations from which such supplies, equipment, and material are procured.

*Provisos.*  
Motor vehicles, etc.

Ambulances, motorcycles, etc.

Not available for designated vehicles except for salvaging.

Exceptions.

Transportation costs, supplies, equipment, etc.

#### HORSES, DRAFT AND PACK ANIMALS

For the purchase of draft and pack animals and horses within limits as to age, sex, and size to be prescribed by the Secretary of War for remounts for officers entitled to public mounts, for the United States Military Academy, and for such organizations and members of the military service as may be required to be mounted, and for all expenses incident to such purchases (including \$81,750 for encouragement of the breeding of riding horses suitable for the Army, in cooperation with the Bureau of Animal Industry, Department of Agriculture, including the purchase of animals for breeding purposes and their maintenance), \$540,600.

Horses, draft and pack animals.

Purchase.

Encouraging breeding of riding horses.

#### MILITARY POSTS

For construction and installation of buildings, flying fields, and appurtenances thereto, including interior facilities, fixed equipment, necessary services, roads, connections to water, sewer, gas, and electric mains, purchase and installation of telephone and radio equipment, and similar improvements, and procurement of transportation incident thereto, without reference to sections 1136 and 3734, Revised Statutes (10 U. S. C. 1339; 40 U. S. C. 267); general overhead expenses of transportation, engineering, supplies, inspection and supervision, and such services as may be necessary in the office of the Quartermaster General; and the engagement by contract or otherwise without regard to section 3709, Revised Statutes (41 U. S. C. 5), and at such rates of compensation as the Secretary of War may determine, of the services of architects or firms or corporations thereof and other technical and professional personnel as may be necessary; to remain available until expended and to be applied as follows: For reconstructing at Fort Niagara, New York, the barracks buildings known as 50N and 50S which were destroyed by fire March 4, 1938, to be available immediately, \$75,000; for work authorized by the Act approved May 14, 1937 (50 Stat. 166): At Savanna Ordnance Depot, Illinois, \$341,137; at Camp Stanley, Texas, \$218,118; for work authorized by the Act of August 12, 1935 (49 Stat. 610-611): At Hickam Field, Hawaii, \$786,000; navigation aids at various stations, \$270,025; runway at Hamilton Field, California, \$350,000; and at Kelly Field, Texas, \$1,747,000, and authority is hereby given to enter into contracts

Military posts.

Construction, maintenance, etc.

R. S. §§ 1136, 3734.  
10 U. S. C. § 1339; 40 U. S. C. § 267.

R. S. § 3709.  
41 U. S. C. § 5.

Technical, etc., services.

Public works.

Fort Niagara, N. Y.  
*Anle*, p. 354.

Ammunition storage facilities.  
50 Stat. 166.

Air Corps stations.  
49 Stat. 610.  
Navigation aids at various stations.

Contracts.

Military posts, construction, etc.  
50 Stat. 857-862.

*Proviso.*  
Increase in amounts.

Acquisition of land.

Air Corps, radio-beacon sites.  
49 Stat. 610.  
10 U. S. C., Supp. III, §§ 1343a, 1343b.

Barracks, quarters, etc.

Construction, maintenance, etc.

Rentals.

Water, roads, etc.

Target practice, etc.

Warehouse and fuel handling equipment.

Stoves and cooking appliances.

Heat, light, etc.

and otherwise to incur obligations in excess of such amount to the extent of \$748,300; for work authorized by the Act of August 26, 1937 (50 Stat. 857-862): At Fort Benning, Georgia, including an additional amount for the completion of the water system project, \$450,000; Chanute Field, Illinois, \$1,500,000; Fort Clayton, Canal Zone, \$650,000; Air Corps Technical School, Denver, Colorado, \$1,385,000; Fort Knox, Kentucky \$850,000; Fort Monroe, Virginia, \$81,500; Panama Canal Zone, \$328,000; Schofield Barracks, Hawaii, \$785,100; Fort Barrancas, Florida, \$87,000; Fort Sill, Oklahoma, \$331,000; and Army and Navy General Hospital, Hot Springs, Arkansas, \$35,000; in all, \$10,269,880: *Provided*, That contracts are hereby authorized to be entered into and obligations otherwise incurred in excess of the preceding stipulated amounts, as follows: Chanute Field, Illinois, \$575,000; Fort Clayton, Canal Zone, \$178,000; Air Corps Technical School, Denver, Colorado, \$150,000; and Fort Knox, Kentucky, \$187,200.

#### ACQUISITION OF LAND

For the acquisition of land, as authorized by the Act of August 12, 1935 (49 Stat. 610), to remain available until expended, and to be applied as follows: Sites for radiobeacons as aids to air navigation in the vicinity of Chanute Field, Illinois; Hamilton Field, California; March Field, California; Maxwell Field, Alabama; Mitchell Field, New York; Randolph Field, Texas; Scott Field, Illinois; and Selfridge Field, Michigan, \$61,698.

#### BARRACKS AND QUARTERS AND OTHER BUILDINGS AND UTILITIES

For all expenses incident to the construction, installation, operation, and maintenance of buildings, utilities, appurtenances, and accessories necessary for the shelter, protection, and accommodation of the Army and its personnel and property, where not specifically provided for in other appropriations, including personal services, purchase and repair of furniture for quarters for officers, warrant officers, and noncommissioned officers, and officers' messes and wall lockers and refrigerators for Government-owned buildings as may be approved by the Secretary of War, care and improvement of grounds, flooring and framing for tents, rental of buildings, including not to exceed \$900 in the District of Columbia, provided space is not available in Government-owned buildings, and grounds for military purposes, lodgings for recruits and applicants for enlistment, water supply, sewer and fire-alarm systems, fire apparatus, roads, walks, wharves, drainage, dredging channels, purchase of water, disposal of sewage, shooting galleries, ranges for small-arms target practice, field, mobile, and railway artillery practice, including flour for paste for marking targets, such ranges and galleries to be open as far as practicable to the National Guard and organized rifle clubs under regulations to be prescribed by the Secretary of War; warehouse and fuel handling equipment; stoves required for use of the Army for heating offices, hospitals, barracks, quarters, recruiting stations, and United States disciplinary barracks, also ranges and stoves for cooking food at posts, for post bakery and bake-oven equipment and apparatus and appliances for cooking and serving food when constituting fixed installations in buildings, including maintenance and repair of such heating and cooking appliances; for furnishing heat and light for the authorized allowance of quarters for officers, enlisted men, and warrant officers, including retired enlisted men when ordered to active duty, contract surgeons when stationed at and occupying public quarters at military posts, officers of the National Guard attending service and garrison schools, and

for recruits, guards, hospitals, storehouses, offices, the buildings erected at private cost, in the operation of the Act approved May 31, 1902 (10 U. S. C. 1346), and buildings for a similar purpose on military reservations authorized by War Department regulations; for sale of fuel to officers; fuel and engine supplies required in the operation of modern batteries at established posts, \$13,551,280, and, in addition, \$447,182 of the appropriation "Barracks and Quarters, Army, 1938", such amount of such appropriation being hereby reappropriated, and of the total of such amounts \$2,500,000 shall be available immediately for the procurement and transportation of fuel for the service of the fiscal year 1939: *Provided*, That the amounts to be assessed and collected by the Secretary of War for expenditure for maintenance purposes at Fort Monroe, Virginia, under the provisions of the Act of August 1, 1894 (28 Stat. 212), shall be \$13,520 for wharf and \$5,053 for roads and sewerage system: *Provided further*, That this appropriation shall be available for the rental of offices, garages, and stables for military attachés: *Provided further*, That no part of the funds herein appropriated shall be available for construction of a permanent nature of an additional building or an extension or addition to an existing building, the cost of which in any case exceeds \$20,000: *Provided further*, That the monthly rental rate to be paid out of this appropriation for stabling any animal shall not exceed \$15.

## CONSTRUCTION AND REPAIR OF HOSPITALS

For construction and repair of hospitals at military posts already established and occupied, including all expenditures for construction and repairs required at the Army and Navy Hospital at Hot Springs, Arkansas, and for the construction and repair of general hospitals and expenses incident thereto, and for additions needed to meet the requirements of increased garrisons, and for temporary hospitals in standing camps and cantonments; for the alteration of permanent buildings at posts for use as hospitals, construction and repair of temporary hospital buildings at permanent posts, construction and repair of temporary general hospitals, rental or purchase of grounds, and rental and alteration of buildings for use for hospital purposes in the District of Columbia and elsewhere, including necessary temporary quarters for hospital personnel, outbuildings, heating and laundry apparatus, plumbing, water and sewers, and electric work, cooking apparatus, and roads and walks for the same, \$494,709.

The appropriations made in this Act for the purchase or manufacture of equipment or material or of a particular class of equipment or material shall be available for the purchase of letters patent, applications for letters patent, and licenses under letters patent and applications for letters patent that pertain to such equipment or material for which the appropriations are made.

## SIGNAL CORPS

## SIGNAL SERVICE OF THE ARMY

Telegraph and telephone systems: Purchase, equipment, operation, and repair of military telegraph, telephone, radio, cable, and signaling systems; signal equipment and stores, heliographs, signal lanterns, flags, and other necessary instruments; wind vanes, barometers, anemometers, thermometers, and other meteorological instruments; photographic and cinematographic work performed for the Army by the Signal Corps; motorcycles, motor-driven and other vehicles for technical and official purposes in connection with the

Recreation build-  
ings.32 Stat. 282.  
10 U. S. C. § 1346.Fuel, engine sup-  
plies, etc.Additional amount;  
reappropriation.  
50 Stat. 453.*Provisos.*  
Fort Monroe, Va.,  
wharf, etc.

28 Stat. 212.

Military attachés,  
rentals.Construction re-  
stricted.

Stabling rental.

Hospitals.

Construction, re-  
pair, etc.Temporary hospi-  
tals, etc.Purchase of letters  
patent, etc., for certain  
equipment or mate-  
rial.

Signal Corps.

Signal Service.

Telegraph and tele-  
phone systems.

construction, operation, and maintenance of communication or signaling systems, and supplies for their operation and maintenance; professional and scientific books of reference, pamphlets, periodicals, newspapers, and maps for use of the Signal Corps and in the office of the Chief Signal Officer; telephone apparatus, including rental and payment for commercial, exchange, message, trunk-line, long-distance, and leased-line telephone service at or connecting any post, camp, cantonment, depot, arsenal, headquarters, hospital, aviation station, or other office or station of the Army, excepting the local telephone service for the various bureaus of the War Department in the District of Columbia, and toll messages pertaining to the office of the Secretary of War; electric time service; the rental of commercial telegraph lines and equipment, and their operation at or connecting any post, camp, cantonment, depot, arsenal, headquarters, hospital, aviation station, or other office or station of the Army, including payment for official individual telegraph messages transmitted over commercial lines; electrical installations and maintenance thereof at military posts, cantonments, camps, and stations of the Army, fire control, and direction apparatus, and material for Field Artillery; salaries of civilian employees, including those necessary as instructors at vocational schools; supplies, general repairs, reserve supplies, and other expenses connected with the collecting and transmitting of information for the Army by telegraph or otherwise; experimental investigation, research, purchase, and development, or improvements in apparatus, and maintenance of signaling and accessories thereto, including machines, instruments, and other equipment for laboratory and repair purposes; lease, alteration, and repair of such buildings required for storing or guarding Signal Corps supplies, equipment, and personnel when not otherwise provided for, including the land therefor, the introduction of water, electric light and power, sewerage, grading, roads and walks, and other equipment required, \$8,035,200, and, in addition, \$189,700 of the appropriation "Signal Service of the Army, 1938", such amount of such appropriation being hereby reappropriated, and of the total of such amounts not to exceed \$1,102,500 shall be available for payments under contracts for the procurement of radio equipment for airplanes under the authorization contained in the Appropriation Act for the Military Establishment for the fiscal year 1938.

## Air Corps.

## AIR CORPS

## AIR CORPS, ARMY

Designated purposes.

Aircraft operation, etc.

Landing, etc., runways.

For creating, maintaining, and operating at established flying schools and balloon schools courses of instruction for officers, students, and enlisted men, including cost of equipment and supplies necessary for instruction, purchase of tools, equipment, materials, machines, textbooks, books of reference, scientific and professional papers, instruments, and materials for theoretical and practical instruction; for maintenance, repair, storage, and operation of airships, war balloons, and other aerial machines, including instruments, materials, gas plants, hangars, and repair shops, and appliances of every sort and description necessary for the operation, construction, or equipment of all types of aircraft, and all necessary spare parts and equipment connected therewith and the establishment of landing and take-off runways; for purchase of supplies for securing, developing, printing, and reproducing photographs in connection with aerial photography; improvement, equipment, maintenance, and operation of plants for testing and experimental work, and procuring and introducing water, electric light and power, gas, and sewerage, including maintenance, operation, and repair of such utilities at

such plants, for the procurement of helium gas; for travel of officers of the Air Corps by air in connection with the administration of this appropriation, including the transportation of new aircraft from factory to first destination; salaries and wages of civilian employees as may be necessary; transportation of materials in connection with consolidation of Air Corps activities; experimental investigations and purchase and development of new types of airplanes, autogyros, and balloons, accessories thereto, and aviation engines, including plans, drawings, and specifications thereof; for the purchase, manufacture, and construction of airplanes and balloons, including instruments and appliances of every sort and description necessary for the operation, construction (airplanes and balloons), or equipment of all types of aircraft, and all necessary spare parts and equipment connected therewith; for the marking of military airways where the purchase of land is not involved; for the purchase, manufacture, and issue of special clothing, wearing apparel, and similar equipment for aviation purposes; for all necessary expenses connected with the sale or disposal of surplus or obsolete aeronautical equipment, and the rental of buildings, and other facilities for the handling or storage of such equipment; for the services of not more than four consulting engineers at experimental stations of the Air Corps as the Secretary of War may deem necessary, at rates of pay to be fixed by him not to exceed \$50 a day for not exceeding fifty days each and necessary traveling expenses; purchase of special apparatus and appliances, repairs, and replacements of same used in connection with special scientific medical research in the Air Corps; for maintenance and operation of such Air Corps printing plants outside of the District of Columbia as may be authorized in accordance with law; for publications, station libraries, special furniture, supplies and equipment for offices, shops, and laboratories; for special services, including the salvaging of wrecked aircraft; for settlement of claims (not exceeding \$250 each) for damage to persons and private property resulting from the operation of aircraft at home and abroad when each claim is substantiated by a survey report of a board of officers appointed by the commanding officer of the nearest aviation post and approved by the Chief of Air Corps and the Secretary of War, \$70,556,972, of which \$16,126,894 shall be available under the appropriation "Air Corps, Army, 1938", for payments under contracts for the procurement of new airplanes and of equipment, spare parts, and accessories for airplanes, as authorized by said appropriation: *Provided*, That \$10,000 shall be transferred to and made available to the Bureau of Mines on July 1, 1938, for supplying helium: *Provided further*, That in addition to the amounts herein appropriated the Chief of the Air Corps, when authorized by the Secretary of War, may enter into contracts prior to July 1, 1939, for the procurement of new airplanes and for the procurement of equipment, spare parts, and accessories for airplanes to an amount not in excess of \$19,126,894, and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof: *Provided further*, That of the amount herein appropriated and the amount herein authorized for contractual obligation not less than \$33,150,646 (exclusive of \$16,126,894 for payment of obligations incurred under the above-mentioned contract authorization for the fiscal year 1938) shall be applied to the procurement of new combat airplanes and their equipment and accessories, including not more than \$1,691,044 for the procurement of spare engines and spare parts for airplanes procured pursuant to the provisions of the appropriation "Air Corps, Army, 1938": *Provided further*, That no part of this or any other appropriation contained in this Act shall be available for any expense

Helium gas.

Civilian employees.

Development of  
new types.Purchase, construc-  
tion, etc., of aircraft.Marking of military  
airways.Consulting engi-  
neers.

Special appliances.

Printing plants, etc.

Settlement of  
claims.

50 Stat. 455.

New airplanes,  
equipment, etc.*Provisos.*  
Helium.  
*Ante*, p. 329.  
New airplanes, etc.Contracts author-  
ized.

50 Stat. 455.

Crissy Field, Calif.

Sums available for incurred obligations.  
48 Stat. 626; 49 Stat. 133.

incident to the use of Crissy Field, California, as an air station: *Provided further*, That the sum of \$70,000 of the appropriation for Air Corps, Army, fiscal year 1935, and the sum of \$807,980 of the appropriation for Air Corps, Army, fiscal year 1936, shall remain available until June 30, 1939, for the payment of obligations incurred under contracts executed prior to July 1, 1936.

Medical Department.

## MEDICAL DEPARTMENT

### ARMY

#### MEDICAL AND HOSPITAL DEPARTMENT

Supplies.

For the manufacture and purchase of medical and hospital supplies, including disinfectants, for military posts, camps, hospitals, hospital ships and transports, for laundry work for enlisted men and Army nurses while patients in a hospital, and supplies required for mosquito destruction in and about military posts in the Canal Zone; for the purchase of veterinary supplies and hire of veterinary surgeons; for expenses of medical supply depots; for medical care and treatment of patients, including supernumeraries, not otherwise provided for, including care and subsistence in private hospitals of officers, enlisted men, and civilian employees of the Army, of applicants for enlistment, and of prisoners of war and other persons in military custody or confinement, when entitled thereto by law, regulation, or contract: *Provided*, That this shall not apply to officers and enlisted men who are treated in private hospitals or by civilian physicians while on furloughs or leaves of absence in excess of twenty-four hours; for the proper care and treatment of epidemic and contagious diseases in the Army or at military posts or stations, including measures to prevent the spread thereof, and the payment of reasonable damages not otherwise provided for for bedding and clothing injured or destroyed in such prevention; for the care of insane Filipino soldiers in conformity with the Act of Congress approved May 11, 1908 (24 U. S. C. 198); for the pay of male and female nurses, not including the Army Nurse Corps, and of cooks and other civilians employed for the proper care of sick officers and soldiers, under such regulations fixing their number, qualifications, assignments, pay, and allowances as shall have been or shall be prescribed by the Secretary of War; for the pay of civilian physicians employed to examine physically applicants for enlistment and enlisted men and to render other professional services from time to time under proper authority; for the pay of other employees of the Medical Department; for the payment of express companies and local transfers employed directly by the Medical Department for the transportation of medical and hospital supplies, including bidders' samples and water for analysis; for supplies for use in teaching the art of cooking to the enlisted force of the Medical Department; for the supply of Army and Navy Hospital at Hot Springs, Arkansas; for advertising, laundry, and all other necessary miscellaneous expenses of the Medical Department, \$1,551,072.

Canal Zone garrisons.

#### HOSPITAL CARE, CANAL ZONE GARRISONS

Hospital care.

For paying the Panama Canal such reasonable charges, exclusive of subsistence, as may be approved by the Secretary of War for caring in its hospitals for officers, enlisted men, military prisoners, and civilian employees of the Army admitted thereto upon the request of proper military authority, \$50,000: *Provided*, That the subsistence of the said patients, except commissioned officers, shall be paid to said hospitals out of the appropriation for subsistence

*Proviso.*  
Subsistence pay-  
ments.

of the Army at the rates provided therein for commutation of rations for enlisted patients in general hospitals.

### CORPS OF ENGINEERS

Engineer Corps.

#### ENGINEER SERVICE, ARMY

For the design, development, procurement, maintenance, alteration, repair, installation, storage, and issue of engineer equipment, instruments, appliances, supplies, materials, tools, and machinery required in the equipment and training of troops and in military operations, including military surveys and the Engineer School; for the operation and maintenance of the Engineer School, including (a) compensation of civilian lecturers, and (b) purchase and binding of scientific and professional books, pamphlets, papers, and periodicals; for the procurement, preparation, and reproduction of maps and similar data for military purposes; for expenses incident to the Engineer service in military operations, including military surveys, and including (a) research and development of improved methods in such operations, (b) the rental of storehouses and grounds within and outside the District of Columbia, and (c) repair and alteration of buildings; for heat, light, power, water, and communication service, not otherwise provided for; and for the compensation of employees required in these activities, \$1,458,380, and, in addition, the Chief of Engineers, when authorized by the Secretary of War, may enter into contracts prior to July 1, 1939, for the procurement of engineer equipment to an amount not in excess of \$180,000, and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof.

Equipment, instruments, etc.

Engineer School, maintenance, etc.

Maps, surveys, etc.

Rent.

Operating, etc., expenses.

Procurement of engineer equipment.

### ORDNANCE DEPARTMENT

Ordnance Department.

#### ORDNANCE SERVICE AND SUPPLIES, ARMY

Ordnance service and supplies.

Manufacture, issue, etc.

Contingent expenses.

Vehicles.

Ammunition for military salutes.

Gages, dies, and jigs.

39 Stat. 215.  
50 U. S. C. § 78.  
Publications.

Consulting engineers.

For manufacture, procurement, storage, and issue, including research, planning, design, development, inspection, test, alteration, maintenance, repair, and handling of ordnance material together with the machinery, supplies, and services necessary thereto; for supplies and services in connection with the general work of the Ordnance Department, comprising police and office duties, rents, tolls, fuel, light, water, advertising, stationery, typewriting and computing machines, including their exchange, and furniture, tools, and instruments of service; to provide for training and other incidental expenses of the ordnance service; for instruction purposes, other than tuition; for the purchase, completely equipped, of trucks, and for maintenance, repair, and operation of motor-propelled and horse-drawn freight and passenger-carrying vehicles; for ammunition for military salutes at Government establishments and institutions to which the issues of arms for salutes are authorized; for services, material, tools, and appliances for operation of the testing machines and chemical laboratory in connection therewith; for the development and procurement of gages, dies, jigs, and other special aids and appliances, including specifications and detailed drawings, to carry out the purpose of section 123 of the National Defense Act, as amended (50 U. S. C. 78); for publications for libraries of the Ordnance Department, including the Ordnance Office, including subscriptions to periodicals; for services of not more than four consulting engineers as the Secretary of War may deem necessary, at rates of pay to be fixed by him not to exceed \$50 per day for not exceeding fifty days each, and for their necessary traveling expenses, \$38,232,034, and, in addition, \$1,249,000 of the appropriation "Ordnance Service



and Supplies, Army, 1938", such amount of such appropriation being hereby reappropriated; also, in addition, the Chief of Ordnance, when authorized by the Secretary of War may enter into contracts prior to July 1, 1939, for the procurement or production of ordnance material, machinery, and supplies to an amount not in excess of \$12,900,000, and his action in so doing shall be deemed a contractual obligation of the Federal Government for the payment of the cost thereof. Of the total sum hereby appropriated \$100,000 shall be available exclusively for equipping seventy-five-millimeter guns with high-speed adapters.

Rock Island, Ill.

#### ROCK ISLAND BRIDGE, ROCK ISLAND, ILLINOIS

Operating bridges,  
etc.

For operating, repair, and preservation of Rock Island bridges and viaduct, and maintenance and repair of the arsenal street connecting the bridges, \$44,835.

Arsenals.

#### REPAIRS OF ARSENALS

Repairs, etc.

For repairs and improvements of ordnance establishments, and to meet such unforeseen expenditures as accidents or other contingencies may require, \$914,855.

Chemical Warfare  
Service.

#### CHEMICAL WARFARE SERVICE

Purchase, manufac-  
ture, etc., of gases.

For purchase, manufacture, and test of chemical warfare gases or other toxic substances, gas masks, or other offensive or defensive materials or appliances required for gas-warfare purposes; investigations, research, design, experimentation, and operation, purchase of chemicals, special scientific and technical apparatus and instruments, including services connected therewith; for the payment of part-time or intermittent employment of such scientists and technicians as may be contracted for by the Secretary of War, in his discretion, at a rate of pay not exceeding \$20 per diem for any person so employed; for the purchase, maintenance, repair, and operation of freight- and passenger-carrying motor vehicles; construction, maintenance, and repair of plants, buildings, and equipment, and the machinery therefor; receiving, storing, and issuing of supplies, comprising police and office duties, rents, tolls, fuels, gasoline, lubricants, paints and oils, rope and cordage, light, water, advertising, stationery, typewriting and adding machines including their exchange, office furniture, tools, and instruments; for incidental expenses; for civilian employees; for libraries of the Chemical Warfare Service and subscriptions to periodicals; for expenses incidental to the organization, training, and equipment of special gas troops not otherwise provided for, including the training of the Army in chemical warfare, both offensive and defensive, together with the necessary schools, tactical demonstrations, and maneuvers; for current expenses of chemical projectile filling plants and proving grounds, including construction and maintenance of rail transportation, repairs, alterations, accessories, building and repairing butts and targets, clearing and grading ranges, \$1,757,300.

Part-time employ-  
ment of scientists, etc.

Vehicles.

Plants, buildings,  
machinery, etc.

Civilian employees.

Special gas troops.

Current expenses.

Chief of Infantry.

#### CHIEF OF INFANTRY

Infantry School,  
Fort Benning, Ga.

#### INFANTRY SCHOOL, FORT BENNING, GEORGIA

Instruction ex-  
penses.

For the procurement of books, publications, instruments, and materials, and other necessary expenses for instruction at the Infantry School, and for pay of employees at the Infantry School and in the office of the Chief of Infantry, \$83,340, including \$19,500 for installing an air-conditioning system in the reproduction plant.

## CHIEF OF CAVALRY

Chief of Cavalry.

## CAVALRY SCHOOL, FORT RILEY, KANSAS

Cavalry School,  
Fort Riley, Kans.

For the purchase of textbooks, books of reference, scientific and professional papers, instruments, and materials for instruction; employment of temporary, technical, special, and clerical services; and for other necessary expenses of instruction at the Cavalry School, Fort Riley, Kansas, \$25,715.

Instruction ex-  
penses.

## CHIEF OF FIELD ARTILLERY

Chief of Field Ar-  
tillery.

## INSTRUCTION IN FIELD ARTILLERY ACTIVITIES

Field Artillery ac-  
tivities.

For the pay of employees; the purchase of books, pamphlets, periodicals, and newspapers; procurement of supplies, materials, and equipment for instruction purposes; and other expenses necessary in the operation of the Field Artillery School of the Army, and for the instruction of the Army in Field Artillery activities, \$26,750.

Instruction ex-  
penses.Field Artillery  
School.

## CHIEF OF COAST ARTILLERY

Chief of Coast Ar-  
tillery.

## COAST ARTILLERY SCHOOL, FORT MONROE, VIRGINIA

Coast Artillery  
School, Fort Monroe,  
Va.

For purchase of engines, generators, motors, machines, measuring and nautical instruments, special apparatus, and materials for experimental purposes for the engineering and artillery and military art departments and enlisted specialists division; for purchase and binding of professional books treating of military and scientific subjects for library, for use of school, and for temporary use in coast defense; for newspapers and periodicals; for incidental expenses of the school, including chemicals, stationery, printing and binding; hardware; materials; cost of special instruction of officers detailed as instructors; employment of temporary, technical, or special services; for office furniture and fixtures; for machinery; for maintenance, operation, and repair of motortrucks; and unforeseen expenses; in all, \$28,260.

Instruction ex-  
penses.Printing and bind-  
ing.

## SEACOAST DEFENSES

Seacoast defenses.

For all expenses incident to the preparation of plans and the construction, purchase, installation, equipment, maintenance, repair, and operation of fortifications and other works of defense, and their accessories, including personal services, ammunition storage, maintenance of channels to submarine-mine wharves, purchase of lands and rights-of-way as authorized by law, and experimental, test, and development work, as follows:

All expenses.

United States, \$3,485,816;  
Insular departments, \$1,496,340;  
Panama Canal, \$1,766,402;  
In all, \$6,748,558.

## UNITED STATES MILITARY ACADEMY

Military Academy.

## PAY OF MILITARY ACADEMY

Pay.

Cadets: For pay of cadets, \$1,325,920: *Provided*, That during the fiscal year ending June 30, 1939, no officer of the Army shall be entitled to receive any increase in pay or allowances because of detail or assignment to duty in any capacity at the Military Academy: *Provided further*, That the duties of librarian of the United States Military Academy may be performed by an officer of the Regular

Cadets.  
*Provided*,  
Army detail, pay  
restriction.Retired Army offi-  
cer as librarian.

R. S. § 1251.  
10 U. S. C. § 933.

Civilians.

Maintenance, etc.

Designated ex-  
penses.

Board of Visitors.

*Proviso.*  
Liquidation of cer-  
tain debts to cadet  
store.

National Guard.

Arming, etc.

Forage, etc.

Care of animals,  
materials, etc.

Instruction ex-  
penses.

*Proviso.*  
Settlement of claims.

Service schools, in-  
struction, etc.

Property and dis-  
bursing officers.

Equipment, etc.

Medical, etc., treat-  
ment.

Army retired from active service under the provisions of section 1251, Revised Statutes, and detailed on active duty for that purpose. Civilians: For pay of employees, \$306,570.

#### MAINTENANCE AND OPERATION, UNITED STATES MILITARY ACADEMY

For text and reference books for instruction; increase and expense of library (not exceeding \$6,000); office equipment and supplies; stationery, blank books, forms, printing and binding, and periodicals; diplomas for graduates; expense of lectures; apparatus, equipment, supplies, and materials for purpose of instruction and athletics, and maintenance and repair thereof; musical instruments and maintenance of band; care and maintenance of organ; equipment for cadet mess; postage, telephones, and telegrams; freight and expressage; for commutation of rations for cadets in lieu of the regular established ration; maintenance of children's school (not exceeding \$12,200); contingencies for superintendent of the academy, to be expended in his discretion (not to exceed \$4,000); expenses of the members of the Board of Visitors (not exceeding \$1,500); contingent fund, to be expended under the direction of the Academic Board (not exceeding \$1,000); improvement, repair, and maintenance of buildings and grounds (including roads, walls, and fences); shooting galleries and ranges; cooking, heating, and lighting apparatus and fixtures and operation and maintenance thereof; maintenance of water, sewer, and plumbing systems; maintenance of and repairs to cadet camp; fire-extinguishing apparatus; machinery and tools and repairs of same; maintenance, repair, and operation of motor-propelled vehicles; policing buildings and grounds; furniture, refrigerators, and lockers for Government-owned buildings at the academy and repair and maintenance thereof; fuel for heat, light, and power; and other necessary incidental expenses in the discretion of the superintendent; in all, \$1,490,340: *Provided*, That not to exceed \$3,750 of this amount shall be available to liquidate the indebtedness of cadets separated from the service for any reason during their first year, who at the time of their separation are in debt to the cadet store.

#### NATIONAL GUARD

##### ARMING, EQUIPPING, AND TRAINING THE NATIONAL GUARD

For procurement of forage, bedding, and so forth, for animals used by the National Guard, \$579,886.

For compensation of help for care of materials, animals, and equipment, \$2,706,948.

For expenses, camps of instruction, field and supplemental training, and the hire (at a rate not to exceed \$1 per diem), repair, maintenance, and operation of motor-propelled passenger-carrying vehicles, \$9,126,100: *Provided*, That not to exceed \$25,000 of this appropriation shall be available for the settlement of claims (not exceeding \$500) for damages to or loss of private property incident to the operation of camps of instruction, either during the stay of National Guard units in such camps or while thereto or therefrom en route.

For expenses, selected officers and enlisted men, military service schools, \$439,890.

For pay of property and disbursing officers for the United States, at a rate not less than \$2,400 per annum, \$126,300.

For general expenses, equipment, and instruction, National Guard, the hire (at a rate not to exceed \$1 per diem), repair, maintenance, and operation of motor-propelled passenger- and non-passenger-carrying vehicles, and the medical and hospital treatment of members of the National Guard who suffer personal injury or contract disease

in line of duty, and other expenses in connection therewith, including pay and allowances, subsistence, transportation, and burial expenses, as authorized by the Act of June 15, 1936 (49 Stat. 1507), \$911,453.

For travel of officers, warrant officers, and enlisted men of the Regular Army in connection with the National Guard, \$248,500: *Provided*, That not to exceed \$2,000 of this sum shall be expended for travel of officers of the War Department General Staff in connection with the National Guard.

For transportation of equipment and supplies, \$217,000.

For expenses of enlisted men of the Regular Army on duty with the National Guard, including payment of an allowance for quarters at the rate of \$35 per month to each man not furnished quarters in kind, \$306,250.

For pay of National Guard (armory drills), \$14,637,934.

No part of the appropriations made in this Act shall be available for pay, allowances, or traveling or other expenses of any officer or enlisted man of the National Guard who may be drawing a pension, disability allowance, disability compensation, or retired pay (where retirement has been made on account of physical disability or age) from the Government of the United States: *Provided*, That nothing in this provision shall be so construed as to prevent the application of funds herein contained to the pay, allowances, or traveling expenses of any officer or enlisted man of the National Guard who may surrender said pension, disability allowance, disability compensation, or retired pay for the period of his service in the National Guard: *Provided further*, That adjutants general who may be drawing such emoluments may be continued in a federally recognized status without pay under this Act.

#### ARMS, UNIFORMS, EQUIPMENT, AND SO FORTH, FOR FIELD SERVICE, NATIONAL GUARD

To procure by purchase or manufacture and issue from time to time to the National Guard, upon requisition of the Governors of the several States and Territories or the commanding general, National Guard of the District of Columbia, such military equipment and stores of all kinds and reserve supply thereof as are necessary to arm, uniform, and equip for field service the National Guard of the several States, Territories, and the District of Columbia, including animals, motor trucks, motorcycles, field ambulances, and station wagons and to repair such of the aforementioned articles of equipage and military stores as are or may become damaged when, under regulations prescribed by the Secretary of War, such repair may be determined to be an economical measure and as necessary for their proper preservation and use, \$12,753,321, and, in addition, \$1,271,151 of the appropriation "National Guard, 1938", such amount of such appropriation being hereby reappropriated and of the total of such amounts \$500,000 shall be available exclusively for defraying the cost of increasing the strength of the National Guard from approximately two hundred thousand to not exceeding an average of two hundred and five thousand officers and men, and all of the sums appropriated in this Act on account of the National Guard shall be accounted for as one fund, and of the total of all sums appropriated in this Act on account of the National Guard, \$1,500,000 shall be available immediately: *Provided*, That specifications for motor vehicles, which shall be so drawn as to admit of competition, shall to the extent otherwise practicable conform with the requirements of the National Guard: *Provided further*, That the value of issues made to any State, Territory, or the District of Columbia to replace property surveyed in accordance with section 87, National Defense Act

Burial expenses.  
49 Stat. 1507.  
10 U. S. C., Supp.  
III, §§ 455a-d.  
Travel, Army officers, etc.

*Proviso.*  
War Department  
General Staff.

Transportation of  
equipment, etc.  
Army enlisted men,  
details.

Pay, armory drills.  
No pay to National  
Guard officer, etc.,  
drawing pension.

*Provisos.*  
Surrender of pension.

Adjutants general  
continued in present  
status without pay.

Field Service.

Procuring arms and  
equipment.  
Requisitions from  
Governors, etc.

Motor trucks, etc.

50 Stat. 461.

Increase in strength.

Accounting.

*Provisos.*  
Specifications for  
motor vehicles.

Replacement of  
damaged property.  
39 Stat. 204.  
32 U. S. C. § 47.

39 Stat. 199.  
32 U. S. C. § 22.

48 Stat. 1227.  
31 U. S. C. § 725c.  
Clothing, equip-  
ment, etc., from Army  
surplus stores.

39 Stat. 199.  
32 U. S. C. § 21.

Issue without charge  
against fund.

No increase of  
mounted units, etc.

Provisos.  
Participation in na-  
tional matches.

Travel and subsist-  
ence allowances.

Post, p. 666.  
Reserve officers.

Caretakers of ranges.

Organized Reserves.

Officers' Reserve  
Corps.

Provisos.  
Mileage allowance.

Enlisted Reserve  
Corps.

of June 3, 1916, as amended, shall not be charged to the apportionments required by section 67 of that Act, but no such replacement issue shall be made in excess of receipts theretofore collected and covered into the Treasury as miscellaneous receipts pursuant to said section 87, as amended, and section 4 (a) and (b) (22) of the Permanent Appropriation Repeal Act of June 26, 1934: *Provided further*, That the Secretary of War is hereby authorized to issue from surplus stores and material on hand and purchased for the United States Army such articles of clothing and equipment and Field Artillery, Engineer, and Signal material and ammunition as may be needed by the National Guard organized under the provisions of the Act entitled "An Act for making further and more effectual provision for the national defense, and for other purposes", approved June 3, 1916 (32 U. S. C. 21), as amended. This issue shall be made without charge against National Guard appropriations except for actual expenses incident to such issue.

No appropriation contained in this Act shall be available for any expense for or on account of a larger number of mounted units and wagon companies of the National Guard than were in existence on June 30, 1932: *Provided*, That officers, warrant officers, and enlisted men of the National Guard and Organized Reserves, who, under regulations prescribed by the Secretary of War, volunteer to participate without pay as competitors or range officers in the national matches to be held during the fiscal year 1939, may attend such matches without pay, notwithstanding any provision of law to the contrary, but shall be entitled to travel and subsistence allowances at the same rates as are provided for civilians who attend and participate in said matches, but this proviso shall not operate to prohibit the pay of such competitors or range officers, provided funds for such payment are available from the appropriation "Promotion of rifle practice, 1939", nor shall any provision in this Act operate to deprive a Reserve officer ordered to active duty incident to the national matches of pay for the full period of such active duty, provided funds for such payment are available from the appropriation "Promotion of rifle practice, 1939": *Provided further*, That officers, warrant officers, and enlisted men of the National Guard and Organized Reserves may be ordered to duty, with their consent, for the care, maintenance, and operation of the ranges used in the conduct of the national matches, and such officers, warrant officers, and enlisted men while so engaged shall be entitled to the same pay, subsistence, and transportation as officers, warrant officers, and enlisted men of corresponding grades of the Regular Army are entitled by law, which expense shall be provided by the appropriation "Promotion of rifle practice"; and after being duly mustered may be paid for the period from the date of leaving home rendezvous to date of return thereto as determined in advance, both dates inclusive.

## ORGANIZED RESERVES

For pay and allowances of members of the Officers' Reserve Corps on active duty in accordance with law; mileage, reimbursement of actual traveling expenses, or per diem allowances in lieu thereof, as authorized by law: *Provided*, That the mileage allowance to members of the Officers' Reserve Corps when called into active service for training for fifteen days or less shall not exceed 4 cents per mile; for travel in kind, or reimbursement in lieu thereof, as now authorized by law for officers of the Regular Army, of dependents of Reserve officers who have been ordered to active duty for periods in excess of fifteen days; pay, transportation, subsistence, clothing, and medical and hospital treatment of members of the Enlisted Reserve Corps;

conducting correspondence or extension courses for instruction of members of the Reserve Corps, including necessary supplies, procurement of maps and textbooks, and transportation and traveling expenses of employees; purchase of training manuals, including Government publications and blank forms, subscriptions to magazines and periodicals of a professional or technical nature; establishment, maintenance, and operation of divisional and regimental headquarters and of camps for training of the Organized Reserves; for miscellaneous expenses incident to the administration of the Organized Reserves, including the maintenance and operation of motor-propelled passenger-carrying vehicles and purchase of thirty such vehicles; for the actual and necessary expenses, or per diem in lieu thereof, at rates authorized by law, incurred by officers and enlisted men of the Regular Army and Reserve officers ordered to active duty for periods in excess of fifteen days traveling on duty in connection with the Organized Reserves, and for travel of dependents, and packing and transportation of baggage of such personnel; for expenses incident to the use, including upkeep and depreciation costs, of supplies, equipment, and matériel furnished in accordance with law from stocks under the control of the War Department, except that not to exceed \$1,615,102 of this appropriation shall be available for expenditure by the Chief of the Air Corps for the production and purchase of new airplanes and their equipment, spare parts, and accessories; for transportation of baggage, including packing and crating, of reserve officers ordered to active duty for not less than six months; for the medical and hospital treatment of members of the Officers' Reserve Corps and of the Enlisted Reserve Corps, who suffer personal injury or contract disease in line of duty, as provided by the Act of June 15, 1936 (49 Stat. 1507), and for such other purposes in connection therewith as are authorized by the said Act, including pay and allowances, subsistence, transportation, and burial expenses; in all, \$11,722,340, and, in addition, \$513,443 of the appropriation "Organized Reserves, 1938", such amount of such appropriation being hereby reappropriated; and no part of the total of such amounts shall be available for any expense incident to giving flight training to any officer of the Officers' Reserve Corps unless he shall be found physically and professionally qualified to perform aviation service as an aviation pilot, by such agency as the Secretary of War may designate: *Provided*, That not to exceed \$100,000 of this appropriation may be used for establishment and maintenance of divisional and regimental headquarters.

None of the funds appropriated elsewhere in this Act, except for printing and binding, field exercises, and for pay and allowances of officers and enlisted men of the Regular Army, and for mileage, reimbursement of actual traveling expenses, or per-diem allowances in lieu thereof, as authorized by law, to Air Corps Reserve officers on extended active duty, shall be used for expenses in connection with the Organized Reserves, but available supplies and existing facilities at military posts shall be utilized to the fullest extent practicable.

No appropriation made in this Act shall be available for pay, allowances, or traveling or other expenses of any officer of the Organized Reserves who may be drawing a pension, disability allowance, disability compensation, or retired pay from the Government of the United States: *Provided*, That nothing in this provision shall be so construed as to prevent the application of funds herein contained to the pay, allowances, or traveling expenses of any officer or enlisted man of the Reserve Corps who may surrender said pension, disability allowance, disability compensation, or retired pay for the period of his active duty in the Reserve Corps.

Correspondence,  
etc., courses.

Training manuals.

Headquarters and  
training camps.

Vehicles.

New airplanes.

Baggage transpor-  
tation.

Medical and hospi-  
tal treatment.

49 Stat. 1507.  
10 U. S. C., Supp.  
111, § 455b.

50 Stat. 463.

Flight training re-  
striction.

*Proviso.*  
Divisional, etc.,  
headquarters.

Restriction on use  
of other funds.

Use of available  
supplies, etc.

No pay to officer  
drawing pension, etc.

*Proviso.*  
Surrender of pen-  
sion.

Reserve officer on active duty; pay restriction.

General Staff detail excepted.

41 Stat. 760.

10 U. S. C. §§ 26, 37.

Other details.

49 Stat. 1524.

10 U. S. C., Supp. III, §§ 292b-2, 300a, 291c, 292a-1-3.

49 Stat. 1028.

10 U. S. C., Supp. III, § 369a.

*Proviso.*

Medical Reserve Corps, Veterans' Administration patients in Army hospitals.

Citizens' military training.

Reserve Officers' Training Corps.

Supplies for units of.

Training camps, etc.

Travel allowance.

Expenses of supplies, etc.

Subsistence commutation, senior division.

39 Stat. 194; 41 Stat. 778.

10 U. S. C. § 387.

Medical, etc., treatment.

No appropriation made in this Act shall be expended for the pay of a Reserve officer on active duty for a longer period than fifteen days, except such as may be detailed for duty with the War Department General Staff under section 3a and section 5 (b) of the National Defense Act, as amended (10 U. S. C. 26, 37), or who may be detailed for courses of instruction at the general or special service schools of the Army, or for duty as instructors at civilian military training camps, appropriated for in this Act, or for duty with the Air Corps, under the provisions of section 1 of the Act of June 16, 1936 (49 Stat. 1524), or who may be detailed to active duty with the Regular Army under the provisions of the Act of August 30, 1935 (10 U. S. C. 369a): *Provided*, That the pay and allowances of such additional officers and nurses of the Medical Reserve Corps as are required to supplement the like officers and nurses of the Regular Army in the care of beneficiaries of the United States Veterans' Administration treated in Army hospitals may be paid from the funds allotted to the War Department by that Administration under existing law.

## CITIZENS' MILITARY TRAINING

### RESERVE OFFICERS' TRAINING CORPS

For the procurement, maintenance, and issue, under such regulations as may be prescribed by the Secretary of War, to institutions at which one or more units of the Reserve Officers' Training Corps are maintained, of such public animals, means of transportation, supplies, tentage, equipment, and uniforms as he may deem necessary, including cleaning and laundering of uniforms and clothing at camps; and to forage, at the expense of the United States, public animals so issued, and to pay commutation in lieu of uniforms at a rate to be fixed annually by the Secretary of War; for transporting said animals and other authorized supplies and equipment from place of issue to the several institutions and training camps and return of some to place of issue when necessary; for purchase of training manuals, including Government publications and blank forms; for the establishment and maintenance of camps for the further practical instruction of the members of the Reserve Officers' Training Corps, and for transporting members of such corps to and from such camps, and to subsist them while traveling to and from such camps and while remaining therein so far as appropriations will permit, or, in lieu of transporting them to and from such camps and subsisting them while en route, to pay them travel allowance at the rate of 5 cents per mile for the distance by the shortest usually traveled route from the places from which they are authorized to proceed to the camp and for the return travel thereto, and to pay the return travel pay in advance of the actual performance of the travel; for expenses incident to the use, including upkeep and depreciation costs, of supplies, equipment, and matériel furnished in accordance with law from stocks under the control of the War Department; for pay for students attending advanced camps at the rate prescribed for soldiers of the seventh grade of the Regular Army; for the payment of commutation of subsistence to members of the senior division of the Reserve Officers' Training Corps, at a rate not exceeding the cost of the garrison ration prescribed for the Army, as authorized in the Act approved June 3, 1916, as amended by the Act approved June 4, 1920 (10 U. S. C. 387); for the medical and hospital treatment of members of the Reserve Officers' Training Corps, who suffer personal injury or contract disease in line of duty, and for other expenses in connection therewith, including pay and allowances, subsistence, transportation, and burial expenses, as author-

ized by the Act of June 15, 1936 (49 Stat. 1507); for mileage, traveling expenses, or transportation, for transportation of dependents, and for packing and transportation of baggage, as authorized by law, for officers, warrant officers, and enlisted men of the Regular Army traveling on duty pertaining to or on detail to or relief from duty with the Reserve Officers' Training Corps; for the purchase, maintenance, repair, and operation of motor vehicles, including station wagons, \$4,323,488, and, in addition, \$502,354 of the appropriation "Reserve Officers' Training Corps, 1938", such amount of such appropriation being hereby reappropriated for the purpose of increasing the number of advanced course students at existing institutions, of which amount \$400,000 shall be available immediately: *Provided*, That the Secretary of War is authorized to issue, without charge, in lieu of purchase, for the use of the Reserve Officers' Training Corps, so many horses now belonging to the Regular Army as he may consider desirable: *Provided*, That uniforms and other equipment or material issued to the Reserve Officers' Training Corps in accordance with law shall be furnished from surplus stocks of the War Department without payment from this appropriation, except for actual expense incurred in the manufacture or issue: *Provided further*, That in no case shall the amount paid from this appropriation for uniforms, equipment, or material furnished to the Reserve Officers' Training Corps from stocks under the control of the War Department be in excess of the price current at the time the issue is made: *Provided further*, That none of the funds appropriated in this Act shall be used for the organization or maintenance of an additional number of mounted, motor transport, or tank units in the Reserve Officers' Training Corps in excess of the number in existence on January 1, 1928: *Provided further*, That none of the funds appropriated in this Act shall be available for any expense on account of any student in Air Corps, Dental Corps, or Veterinary units not a member of such units on May 5, 1932, but such stoppage of further enrollments shall not interfere with the maintenance of existing units: *Provided further*, That none of the funds appropriated elsewhere in this Act, except for printing and binding and pay and allowances of officers and enlisted men of the Regular Army, shall be used for expenses in connection with the Reserve Officers' Training Corps.

#### MILITARY SUPPLIES AND EQUIPMENT FOR SCHOOLS AND COLLEGES

For the procurement and issue as provided in section 55c of the Act approved June 4, 1920 (10 U. S. C. 1180), and in section 1225, Revised Statutes, as amended, under such regulations as may be prescribed by the Secretary of War, to schools and colleges, other than those provided for in section 40 of the Act above referred to, of such arms, tentage, and equipment, and of ammunition, targets, and target materials, including the transporting of same, and the overhauling and repair of articles issued, as the Secretary of War shall deem necessary for proper military training in said schools and colleges, \$8,900.

#### CITIZENS' MILITARY TRAINING CAMPS

For furnishing, at the expense of the United States, to warrant officers, enlisted men, and civilians attending training camps maintained under the provisions of section 47d of the National Defense Act of June 3, 1916, as amended (10 U. S. C. 442), uniforms including altering, fitting, washing, and cleaning when necessary, subsistence, or subsistence allowances and transportation, or transportation

49 Stat. 1507.

Baggage transportation.

Vehicles.

50 Stat. 465.

Advanced course students.

*Provisos.*  
Issue of Army horses.

Uniforms, etc., from Army surplus stock.

Current price to govern.

Limitation on number of mounted, etc., units.

No additional students in designated units.

Restriction on use of other funds.

Schools and colleges.

Military supplies and equipment.  
41 Stat. 780.  
10 U. S. C. § 1180.  
R. S. § 1225.  
34 U. S. C. § 1129.

Citizens' military training camps.

Uniforms, transportation expenses, etc.

41 Stat. 779.  
10 U. S. C. § 442.



Maintenance.	allowances, as prescribed in said section 47d, as amended; for such expenditures as are authorized by said section 47d as may be necessary for the establishment and maintenance of said camps, including recruiting and advertising therefor, and the cost of maintenance, repair, and operation of passenger-carrying vehicles; for expenses incident to the use, including upkeep and depreciation costs, of supplies, equipment, and matériel furnished in accordance with law from stocks under the control of the War Department; for gymnasium and athletic supplies (not exceeding \$20,000); for mileage, reimbursement of traveling expenses, or allowance in lieu thereof as authorized by law, for officers of the Regular Army and Organized Reserves, and for the travel expenses of enlisted men of the Regular Army, traveling on duty in connection with citizens' military training camps; for purchase of training manuals, including Government publications and blank forms; for medical and hospital treatment of members of the citizens' military training camps, who suffer personal injury or contract disease in line of duty, and for other expenses in connection therewith, including subsistence, transportation, and burial expenses, as authorized by the Act of June 15, 1936 (49 Stat. 1507); in all, \$2,275,000, of which \$200,000 shall be immediately available: <i>Provided</i> , That the funds herein appropriated shall not be used for the training of any person in the first year or lowest course, who shall have reached his twenty-fourth birthday before the date of enrollment: <i>Provided further</i> , That none of the funds appropriated elsewhere in this Act except for printing and binding and for pay and allowances of officers and enlisted men of the Regular Army shall be used for expenses in connection with citizens' military training camps: <i>Provided further</i> , That uniforms and other equipment or matériel furnished in accordance with law for use at citizens' military training camps shall be furnished from surplus stocks of the War Department without payment from this appropriation, except for actual expense incurred in the manufacture or issue: <i>Provided further</i> , That in no case shall the amount paid from this appropriation for uniforms, equipment, or matériel furnished in accordance with law for use at citizens' military training camps from stocks under the control of the War Department be in excess of the price current at the time the issue is made.
Purchase of training manuals. Medical and hospital treatment.	
Burials. 49 Stat. 1507.	
<i>Provisos.</i> Age limitation.	
Restriction on use of other funds.	
Uniforms, etc., from Army surplus stock.	
Current price to govern.	
Promotion of rifle practice.	NATIONAL BOARD FOR PROMOTION OF RIFLE PRACTICE, ARMY
Instruction expenses.	Promotion of rifle practice: For construction, equipment, and maintenance of rifle ranges, the instruction of citizens in marksmanship, and promotion of practice in the use of rifled arms; for arms, ammunition, targets, and other accessories for target practice, for issue and sale in accordance with rules and regulations prescribed by the National Board for the Promotion of Rifle Practice and approved by the Secretary of War; for clerical services, including not exceeding \$25,000 in the District of Columbia; for procurement of materials, supplies, trophies, prizes, badges, and services, as authorized in section 113, Act of June 3, 1916, and in War Department Appropriation Act of June 7, 1924; for the conduct of the National Matches, including incidental travel, and for maintenance of the National Board for the Promotion of Rifle Practice, including not to exceed \$7,500 for its incidental expenses as authorized by Act of May 28, 1928; to be expended under the direction of the Secretary of War, \$645,726.
Supplies, etc.	No part of the appropriations made in this Act shall be available for the salary or pay of any officer, manager, superintendent, foreman, or other person having charge of the work of any employee of the United States Government while making or causing to be made
39 Stat. 211; 43 Stat. 510. 32 U. S. C. § 181.	
45 Stat. 786. 32 U. S. C. § 181c.	
No pay to officer, etc., using time-measuring device.	

with a stop watch, or other time-measuring device, a time study of any job of any such employee between the starting and completion thereof, or of the movements of any such employee while engaged upon such work; nor shall any part of the appropriations made in this Act be available to pay any premiums or bonus or cash reward to any employee in addition to his regular wages, except for suggestions resulting in improvements or economy in the operation of any Government plant.

Limitation on cash rewards.

SEC. 2. No part of any money appropriated by this Act shall be used for maintaining, driving, or operating any Government-owned motor-propelled passenger-carrying vehicle assigned for the exclusive use of persons other than the Secretary of War and medical officers on out-patient medical service.

Private use of Government vehicles.

SEC. 3. No part of any appropriation made by this Act shall be used in any way to pay any expense in connection with the conduct, operation, or management of any post exchange, branch exchange, or subexchange within any State, Territory, or the District of Columbia, save and except for real assistance and convenience to military personnel and civilians employed or serving at military posts and to retired enlisted naval personnel in supplying them with articles of small personal needs, not similar to those furnished by the Government: *Provided*, That the commanding officer of the post at which any such exchange is situated shall certify on the monthly report of the post exchange council that such exchange was, during the period covered by such report, operated in compliance with this section: *Provided further*, That at posts isolated from a convenient market the Secretary of War may broaden the nature of the articles to be sold.

Limitation on use of funds for post exchanges.

Procisos.  
Report required.

Isolated posts.

SEC. 4. This Act may be cited as the "Military Appropriation Act, 1939".

Short title.

Approved, June 11, 1938.

[CHAPTER 348]

AN ACT

Making appropriations for the fiscal year ending June 30, 1939, for civil functions administered by the War Department, and for other purposes.

June 11, 1938  
[H. R. 10291]  
[Public, No. 591]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1939, for civil functions administered by the War Department, and for other purposes, namely:

War Department  
Civil Appropriation  
Act, 1939.

QUARTERMASTER CORPS

Quartermaster  
Corps.

CEMETERIAL EXPENSES

National cemeteries.

For maintaining and improving national cemeteries, including fuel for and pay of superintendents and the superintendent at Mexico City, and other employees; purchase of land; purchase of tools and materials; and for the repair, maintenance, and operation of motor vehicles; care and maintenance of the Arlington Memorial Amphitheater, chapel, and grounds in the Arlington National Cemetery, and that portion of Congressional Cemetery to which the United States has title and the graves of those buried therein, including Confederate graves, and including the burial site of Pushmataha, a Choctaw Indian chief; repair to roadways but not to more than a single approach road to any national cemetery constructed under

Maintenance, im-  
provement, etc.

Vehicles.  
Arlington, Va.

Plot in Congres-  
sional Cemetery, D. C.

Roadways; limita-  
tion.

Headstones.  
20 Stat. 281; 34 Stat.  
56; 38 Stat. 768; 45  
Stat. 1307.  
24 U. S. C. §§ 279,  
280, 280a.

Recovery of bodies,  
etc.

45 Stat. 251.  
10 U. S. C. § 916.

Monuments, etc.,  
in Cuba and China.

Confederate ceme-  
teries, etc.

50 Stat. 515.

Fort Bliss National  
Cemetery, Tex.  
49 Stat. 1514.

Acquisition of land,  
San Francisco, Calif.

*Provisos.*  
Encroachments for-  
bidden.

Roadway repairs res-  
tricted.

Conveyance to  
State, etc., of U. S.  
interest in any ap-  
proach road, national  
cemetery.

*Provisos.*  
Acceptance and  
maintenance provi-  
sions.

Transfer of jurisdic-  
tion.

Signal Corps.

Alaska Communica-  
tion System.

Operation, improve-  
ment, etc.

*Proviso.*  
Report to Congress.

special Act of Congress; headstones for unmarked graves of soldiers, sailors, and marines under the Acts approved March 3, 1873 (24 U. S. C. 279), February 3, 1879 (24 U. S. C. 280), March 9, 1906 (34 Stat. 56), March 14, 1914 (38 Stat. 768), and February 26, 1929 (24 U. S. C. 280a), and civilians interred in post cemeteries; recovery of bodies and disposition of remains of military personnel and civilian employees of the Army under Act approved March 9, 1928 (10 U. S. C. 916); travel allowances of attendants accompanying remains of military personnel and civilian employees; for repairs and preservation of monuments, tablets, roads, fences, and so forth, made and constructed by the United States in Cuba and China to mark the places where American soldiers fell; care, protection, and maintenance of the Confederate Mound in Oakwood Cemetery at Chicago, the Confederate Stockade Cemetery at Johnstons Island, the Confederate burial plats owned by the United States in Confederate Cemetery at North Alton, the Confederate Cemetery, Camp Chase, at Columbus, the Confederate Cemetery at Point Lookout, and the Confederate Cemetery at Rock Island; and for care and maintenance of graves used by the Army for burials in commercial cemeteries, \$1,719,840, and in addition, \$25,000 of the appropriation "Cemeterial Expenses, War Department, 1938", such amount of such appropriation being hereby reappropriated, and of the total of such sums, \$53,450 shall be available for the development of the Fort Bliss National Cemetery, as authorized by the Act of June 15, 1936 (49 Stat. 1514), and not in excess of \$170,000 shall be available for the acquisition of land in the vicinity of San Francisco, California, at an average cost of not to exceed \$1,000 per acre: *Provided*, That no railroad shall be permitted upon any right-of-way which may have been acquired by the United States leading to a national cemetery, or to encroach upon any roads or walks constructed thereon and maintained by the United States: *Provided further*, That no part of this appropriation shall be used for repairing any roadway not owned by the United States within the corporate limits of any city, town, or village.

The Secretary of War is authorized to convey to any State, county, municipality, or proper agency thereof, in which the same is located, all the right, title, and interest of the United States in and to any Government owned or controlled approach road in any national cemetery: *Provided*, That prior to the delivery of any instrument of conveyance hereunder, the State, county, municipality, or agency to which the conveyance herein authorized is to be made, shall notify the Secretary of War in writing of its willingness to accept and maintain the road included in such conveyance: *Provided further*, That upon the execution and delivery of any conveyance herein authorized, the jurisdiction of the United States of America over the road conveyed, shall cease and determine and shall thereafter vest in the State in which said road is located.

## SIGNAL CORPS

### ALASKA COMMUNICATION SYSTEM

For operation, maintenance, and improvement of the Alaska Communication System, including travel allowances and travel in kind as authorized by law, and operation and maintenance of passenger-carrying vehicles, \$187,600, to be derived from the receipts of the Alaska Communication System which have been covered into the Treasury of the United States, and to remain available until the close of the fiscal year 1940: *Provided*, That the Secretary of War shall report to Congress the extent and cost of any extensions and betterments which may be effected under this appropriation.

## BUREAU OF INSULAR AFFAIRS

## UNITED STATES HIGH COMMISSIONER TO THE PHILIPPINE ISLANDS

For the maintenance of the office of the United States High Commissioner to the Philippine Islands as authorized by subsection 4 of section 7 of the Act approved March 24, 1934 (48 Stat., p. 456), including salaries and wages; rental, furnishings, equipment, maintenance, renovation, and repair of office quarters and living quarters for the High Commissioner; supplies and equipment; purchase and exchange of lawbooks and books of reference, periodicals, and newspapers; traveling expenses, including for persons appointed hereunder within the United States and their families, actual expenses of travel and transportation of household effects from their homes in the United States to the Philippine Islands, and return, utilizing Government vessels whenever practicable; operation, maintenance, and repair of motor vehicles, purchase and exchange of three automobiles at prices not to exceed \$2,600 for one and \$1,200 each for two, and all other necessary expenses, \$181,930, of which amount \$2,500 shall be available as of April 1, 1938, and of which amount not exceeding \$10,000 shall be available for expenditure in the discretion of the High Commissioner for maintenance of his household and such other purposes as he may deem proper: *Provided*, That the salary of the legal adviser and the financial expert shall not exceed the annual rate of \$10,000 and \$9,000 each, respectively: *Provided further*, That section 3709 of the Revised Statutes (41 U. S. C. 5), shall not apply to any purchase or service rendered under this appropriation when the aggregate amount involved does not exceed the sum of \$100.

Bureau of Insular Affairs.

Philippine Islands.

United States High Commissioner's office.  
48 Stat. 456.  
48 U. S. C. § 1237 (4).  
Salaries and expenses.

Traveling, etc., expenses.

Vehicles.

Household, etc., expenses.

*Provisos.*  
Legal adviser and financial expert.  
Minor purchases.  
R. S. § 3709.  
41 U. S. C. § 5.

## CORPS OF ENGINEERS

To be immediately available and to be expended under the direction of the Secretary of War and the supervision of the Chief of Engineers, and to remain available until expended:

## RIVERS AND HARBORS

For the preservation and maintenance of existing river and harbor works, and for the prosecution of such projects heretofore authorized as may be most desirable in the interests of commerce and navigation; for survey of northern and northwestern lakes and other boundary and connecting waters as heretofore authorized, including the preparation, correction, printing, and issuing of charts and bulletins and the investigation of lake levels; for prevention of obstructive and injurious deposits within the harbor and adjacent waters of New York City; for expenses of the California Débris Commission in carrying on the work authorized by the Act approved March 1, 1893 (33 U. S. C. 661); for removing sunken vessels or craft obstructing or endangering navigation as authorized by law; for operating and maintaining, keeping in repair, and continuing in use without interruption any lock, canal (except the Panama Canal), canalized river, or other public works for the use and benefit of navigation belonging to the United States; for payment annually of tuition fees of not to exceed forty-five student officers of the Corps of Engineers at civil technical institutions under the provisions of section 127a of the National Defense Act, as amended (10 U. S. C. 535); for examinations, surveys, and contingencies of rivers and harbors; for printing and binding, and office supplies and equipment required in the Office of the Chief of Engineers to carry out the purposes of this appropriation, including such printing as may be authorized by the Committee on Printing of the House of Representa-

Corps of Engineers.

Availability.

Rivers and harbors.

Maintenance of existing works.

Survey of boundary, etc., waters.

New York harbor.

California Débris Commission.  
27 Stat. 507.  
33 U. S. C. § 661.  
Removal of navigation obstructions.

Student officers at civil technical institutions.

41 Stat. 785; 44 Stat. 705.  
10 U. S. C. § 535.  
Surveys, etc.  
Printing and binding.

Vehicles, etc.

*Provisos.*  
Unauthorized sur-  
veys, etc., forbidden.  
Extending channel  
of Mississippi River  
above Saint Anthony  
Falls.

*Post*, p. 809.

Operation of certain  
types of projects.  
*Post*, p. 811.  
Allocation provi-  
sions waived.  
*Post*, p. 811.

Further augmenta-  
tion.

50 Stat. 517, 518.

Reduction in gen-  
eral flood control ap-  
propriation; transfer  
of amounts.

Maintenance of har-  
bor channels.

Conditions im-  
posed.

Power-driven boats,  
restriction on use.

Permanent Interna-  
tional Commission of  
the Congresses of  
Navigation.

Flood control.

Public works on  
rivers and harbors.

49 Stat. 1570; 50  
Stat. 517, 876, 806.  
33 U. S. C., Supp.  
III, ch. 15.  
Printing and bind-  
ing.

tives, either during a recess or session of Congress, of surveys author-  
ized by law, and such surveys as may be printed during a recess of  
Congress shall be printed, with illustrations, as documents of the next  
succeeding session of Congress, and for the purchase (not to exceed  
\$173,340) of motor-propelled passenger-carrying vehicles and motor-  
boats, for official use: *Provided*, That no part of this appropriation  
shall be expended for any preliminary examination, survey, project,  
or estimate not authorized by law, nor for any work upon or incident  
to the project to extend the channel of the Mississippi River above  
Saint Anthony Falls, \$70,020,000, and, in augmentation of the fore-  
going appropriation of \$70,020,000, \$18,000,000 of the amount named  
for public projects in the second limitation under (d) in subsection 1  
of section 1, Title I, of the Emergency Relief Appropriation Act of  
1938, shall be available exclusively for the objects embraced by this  
paragraph: *Provided*, That nothing herein shall be construed as  
amending or modifying the provisions of section 3 of Title I of such  
Act: *Provided further*, That the requirement in section 5 of Title I  
of such Act that no Federal construction project, with certain excep-  
tions, shall be undertaken unless and until there have been allocated  
and irrevocably set aside sufficient funds for its completion is hereby  
waived as to this appropriation; and further in augmentation of the  
foregoing appropriation of \$70,020,000, there is hereby reappropriated  
for the objects embraced by this paragraph \$24,000,000, or such lesser  
sum as may remain unobligated on April 21, 1938, or which subse-  
quently may be ascertained to have been unobligated on such date of  
the appropriations "Emergency Relief, War, Corps of Engineers,  
Flood Control, General (Act July 19, 1937), 1938", and "Emergency  
Relief, War, Corps of Engineers, Flood Control, Mississippi River and  
Tributaries (Act July 19, 1937), 1938": *Provided further*, That to the  
extent that the foregoing sum of \$24,000,000 may be reduced by obliga-  
tions for flood control made prior to April 21, 1938, the appropriation  
for general flood control contained in the next succeeding paragraph  
shall be reduced by a like amount and such amount shall then be trans-  
ferred from the appropriation for general flood control to the appropria-  
tion made in this paragraph: *Provided further*, That from this  
appropriation the Secretary of War may, in his discretion and on the  
recommendation of the Chief of Engineers based on the recommenda-  
tion by the Board of Rivers and Harbors in the review of a report or  
reports authorized by law, expend such sums as may be necessary for  
the maintenance of harbor channels provided by a State, municipality,  
or other public agency, outside of harbor lines and serving essential  
needs of general commerce and navigation, such work to be subject to  
the conditions recommended by the Chief of Engineers in his report  
or reports thereon: *Provided further*, That no appropriation under  
the Corps of Engineers for the fiscal year 1939 shall be available for  
any expenses incident to operating any power-driven boat or vessel  
on other than Government business: *Provided further*, That not to  
exceed \$3,000 of the amount herein appropriated shall be available for  
the support and maintenance of the Permanent International Com-  
mission of the Congresses of Navigation and for the payment of the  
actual expenses of the properly accredited delegates of the United  
States to the meeting of the congresses and of the commission.

#### FLOOD CONTROL

**Flood control:** For the construction of certain public works on  
rivers and harbors for flood control, and for other purposes, in accord-  
ance with the provisions of the Flood Control Act, approved June  
22, 1936, as amended (49 Stat. 1570-1595; 50 Stat. 517-518, 876-881),  
and the Act of August 25, 1937 (50 Stat. 806), including printing  
and binding, and office supplies and equipment required in the Office

of the Chief of Engineers to carry out the purposes of this appropriation, the purchase (not to exceed \$33,250) of motor-propelled passenger-carrying vehicles and motorboats for official use, and not to exceed \$3,000,000 for preliminary examinations and surveys of flood-control projects authorized by law, \$82,000,000: *Provided*, That \$7,000,000 of this appropriation shall be transferred and made available to the Secretary of Agriculture, and of such sum not to exceed \$3,000,000 shall be available for preliminary examinations and surveys, as authorized by law, for run-off and water-flow retardation and soil-erosion prevention on the watersheds of flood-control projects, and not to exceed \$4,000,000 shall be available for the prosecution, under plans to be approved by the Secretary of Agriculture, of works of improvement for measures of run-off and waterflow retardation and soil erosion prevention upon the watersheds of waterways for which works of improvement for the benefit of navigation and the control of destructive floodwaters and other provisions have been or hereafter may be adopted or authorized by law, including the employment of persons in the District of Columbia and elsewhere, purchase of books and periodicals, printing and binding, rent in the District of Columbia, the purchase (not to exceed \$75,000) of motor-propelled passenger-carrying vehicles and motorboats, and for other necessary expenses.

Flood control, Mississippi River and tributaries: For prosecuting work of flood control in accordance with the provisions of the Flood Control Act, approved May 15, 1928 (33 U. S. C. 702a), as at present or subsequently amended and supplemented, including printing and binding, and office supplies and equipment required in the office of the Chief of Engineers to carry out the purposes of this appropriation, and for the purchase (not to exceed \$53,450) of motor-propelled passenger-carrying vehicles and motorboats for official use, \$31,000,000.

Emergency fund for flood control on tributaries of Mississippi River: For rescue work and for repair or maintenance of any flood-control work on any tributaries of the Mississippi River threatened or destroyed by flood, in accordance with section 9 of the Flood Control Act, approved June 15, 1936 (49 Stat. 1508), \$800,000.

Flood control, Lowell Creek, Alaska: For maintenance of flood-control works in accordance with the Act approved February 14, 1933 (47 Stat. 802), \$1,000.

Flood control, Salmon River, Alaska: For maintenance repairs to dikes in the flood-control works at the town of Hyder, Alaska, as authorized by the Act approved June 18, 1934 (48 Stat. 991), \$800.

#### UNITED STATES SOLDIERS' HOME

For maintenance and operation of the United States Soldiers' Home, to be paid from the Soldiers' Home Permanent Fund, \$801,572.

#### THE PANAMA CANAL

For every expenditure requisite for and incident to the maintenance and operation, sanitation, and civil government of the Panama Canal and Canal Zone, including the following: Compensation of all officials and employees; foreign and domestic newspapers and periodicals; law books not exceeding \$1,000; textbooks and books of reference; printing and binding, including printing of annual report; rent and personal services in the District of Columbia; purchase or exchange of typewriting, adding, and other machines; purchase or exchange, maintenance, repair, and operation of motor-propelled and horse-drawn passenger-carrying vehicles; claims for damages

Vehicles.  
Preliminary examinations, etc.

*Provisos.*  
Run-off retardation, etc., surveys.

Prosecution of run-off, etc., retardation measures on watersheds of flood-control projects.

Personal services.

Mississippi River and tributaries.

45 Stat. 534; 49 Stat. 1508.  
33 U. S. C. § 702a; Supp. III, § 702a-1.

Emergency fund for flood control.

49 Stat. 1511.  
33 U. S. C., Supp. III, §§ 702g-1.

Lowell Creek, Alaska.  
47 Stat. 802.

Salmon River, Alaska.  
48 Stat. 991.  
33 U. S. C. § 705.

United States Soldiers' Home.

Maintenance, etc.

The Panama Canal.

All expenses.

Objects specified.

Printing and binding.

Vehicles.

Damage claims.

to vessels passing through the locks of the Panama Canal, as authorized by the Panama Canal Act; claims for losses of or damages to property arising from the conduct of authorized business operations; claims for damages to property arising from the maintenance and operation, sanitation, and civil government of the Panama Canal; acquisition of land and land under water, as authorized in the Panama Canal Act; expenses incurred in assembling, assorting, storing, repairing, and selling material, machinery, and equipment heretofore or hereafter purchased or acquired for the construction of the Panama Canal which are unserviceable or no longer needed, to be reimbursed from the proceeds of such sale; expenses incident to conducting hearings and examining estimates for appropriations on the Isthmus; expenses incident to any emergency arising because of calamity by flood, fire, pestilence, or like character not foreseen or otherwise provided for herein; traveling expenses, when prescribed by the Governor of the Panama Canal to persons engaged in field work or traveling on official business; not to exceed \$2,000 for travel and subsistence expenses of members of the police and fire forces of the Panama Canal incident to their special training in the United States; transportation, including insurance, of public funds and securities between the United States and the Canal Zone; and for such other expenses not in the United States as the Governor of the Panama Canal may<sup>1</sup> deem necessary best to promote the maintenance and operation, sanitation, and civil government of the Panama Canal, all to be expended under the direction of the Governor of the Panama Canal and accounted for as follows:

**Emergencies.** For maintenance and operation of the Panama Canal: Salary of the Governor, \$10,000; contingencies of the Governor, to be expended in his discretion, not exceeding \$3,000; purchase, inspection, delivery, handling, and storing of materials, supplies, and equipment for issue to all departments of the Panama Canal, the Panama Railroad, other branches of the United States Government, and for authorized sales; payment in lump sums of not exceeding the amounts authorized by the Injury Compensation Act approved September 7, 1916 (5 U. S. C. 793), to alien cripples who are now a charge upon the Panama Canal by reason of injuries sustained while employed in the construction of the Panama Canal; and relief payments authorized by the Act approved July 8, 1937 (50 Stat. 478); in all, \$8,149,000, together with all moneys arising from the conduct of business operations authorized by the Panama Canal Act.

**Public funds and securities, transportation and insurance.** For sanitation, quarantine, hospitals, and medical aid and support of the insane and of lepers and aid and support of indigent persons legally within the Canal Zone, including expenses of their deportation when practicable, and the purchase of artificial limbs or other appliances for persons who were injured in the service of the Isthmian Canal Commission or the Panama Canal prior to September 7, 1916, and including additional compensation to any officer of the United States Public Health Service detailed with the Panama Canal as chief quarantine officer, \$933,800.

**Maintenance and operation.** For civil government of the Panama Canal and Canal Zone, including gratuities and necessary clothing for indigent discharged prisoners, \$1,167,325.

**Governor's salary.** Total, Panama Canal, \$10,250,125, to be available until expended.

**Supplies, equipment, etc.** In addition to the foregoing sums there is appropriated for the fiscal year 1939 for expenditures and reinvestment under the several heads of appropriation aforesaid, without being covered into the Treasury of the United States, all moneys received by the Panama

**Payment to alien cripples.**  
39 Stat. 750.  
5 U. S. C. § 793.

**Relief payments.**  
50 Stat. 478.  
48 U. S. C., Supp. III, § 1372.

**Sanitation, etc.**  
Support of the insane, lepers, etc.  
Deportation expenses.

**Chief quarantine officer.**

**Civil government expenses.**

**Availability.**  
**Additional sums.**

<sup>1</sup> So in original.

Canal from services rendered or materials and supplies furnished to the United States, the Panama Railroad Company, the Canal Zone government, or to their employees, respectively, or to the Panama Government, from hotel and hospital supplies and services; from rentals, wharfage, and like service; from labor, materials, and supplies and other services furnished to vessels other than those passing through the Canal, and to others unable to obtain the same elsewhere; from the sale of scrap and other byproducts of manufacturing and shop operations; from the sale of obsolete and unserviceable materials, supplies, and equipment purchased or acquired for the operation, maintenance, protection, sanitation, and government of the Canal and Canal Zone; and any net profits accruing from such business to the Panama Canal shall annually be covered into the Treasury of the United States.

Disposition of net profits.

In addition there is appropriated for the operation, maintenance, and extension of waterworks, sewers, and pavements in the cities of Panama and Colon, during the fiscal year 1939, the necessary portions of such sums as shall be paid as water rentals or directly by the Government of Panama for such expenses.

Waterworks, sewers, and pavements, Panama and Colon.

SEC. 2. This Act may be cited as the "War Department Civil Appropriation Act, 1939".

Short title.

Approved, June 11, 1938.

#### [CHAPTER 349]

#### AN ACT

To provide for holding terms of the district court of the United States at Hutchinson, Kansas.

June 13, 1938  
[S. 3373]  
[Public, No. 592]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 82 of the Judicial Code, as amended (U. S. C., title 28, sec. 157) is amended to read as follows:

United States courts.  
39 Stat. 1112.  
28 U. S. C. § 157.

"The State of Kansas shall constitute one judicial district, to be known as the district of Kansas. It is divided into three divisions, to be known as the first, second, and third divisions of the district of Kansas. The first division shall include the territory embraced on the 1st day of July 1910 in the counties of Atchison, Brown, Chase, Cheyenne, Clay, Cloud, Decatur, Dickinson, Doniphan, Douglas, Ellis, Franklin, Geary, Gove, Graham, Jackson, Jefferson, Jewell, Johnson, Leavenworth, Lincoln, Logan, Lyon, Marion, Marshall, Mitchell, Morris, Nemaha, Norton, Osage, Osborne, Ottawa, Phillips, Pottawatomie, Rawlins, Republic, Riley, Rooks, Russell, Saline, Shawnee, Sheridan, Sherman, Smith, Thomas, Trego, Wabaunsee, Wallace, Washington, and Wyandotte. The second division shall include the territory embraced on the date last mentioned in the counties of Barber, Barton, Butler, Clark, Comanche, Cowley, Edwards, Ellsworth, Finney, Ford, Grant, Gray, Greeley, Hamilton, Harper, Harvey, Hodgeman, Haskell, Kingman, Kiowa, Kearney, Lane, McPherson, Morton, Meade, Ness, Pratt, Pawnee, Reno, Rice, Rush, Scott, Sedgwick, Stafford, Stevens, Seward, Sumner, Stanton, and Wichita. The third division shall include the territory embraced on the said date last mentioned in the counties of Allen, Anderson, Bourbon, Cherokee, Coffey, Chautauqua, Crawford, Elk, Greenwood, Labette, Linn, Miami, Montgomery, Neosho, Wilson, and Woodson. Terms of the district court for the first division shall be held at Leavenworth on the second Monday in October; at Topeka on the second Monday in April; at Kansas City on the first Monday in October and the first Monday in December; and at

Kansas judicial district.

First division.

Second division.

Third division.

Terms.  
First division.



Second division. Salina on the second Monday in May; terms of the district court for the second division shall be held at Wichita on the second Mondays in March and September, and at Hutchinson on the second Monday in June and the first Monday in November, when suitable rooms and accommodations for holding terms of the court shall be provided at Hutchinson free of cost to the United States or until, subject to the recommendation of the Attorney General of the United States with respect to providing such rooms and accommodations for holding court at Hutchinson, a public building containing such suitable rooms and accommodations shall be erected at such place; and for the third division at Fort Scott on the first Monday in May and the second Monday in November. The clerk of the district court shall appoint three deputies, one of whom shall reside and keep his office at Fort Scott, one at Wichita, and the other at Salina, and the marshal shall appoint a deputy who shall reside and keep his office at Fort Scott and the marshal shall also appoint a deputy, who shall reside and keep his office at Kansas City."

Accommodations at Hutchinson.

Third division.

Deputy clerks.

Deputy marshals.

Approved, June 13, 1938.

## [CHAPTER 350]

## AN ACT

June 13, 1938  
[H. R. 8794]  
[Public, No. 533]

To provide for holding terms of the District Court of the United States for the Eastern District of Virginia at Newport News, Virginia.

Virginia Eastern Judicial District.  
Terms of court at Newport News.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That terms of the District Court of the United States for the Eastern District of Virginia shall be held at Newport News, Virginia, on the first Monday in February and the second Monday in July.

Approved, June 13, 1938.

## [CHAPTER 351]

## AN ACT

June 13, 1938  
[H. R. 9468]  
[Public, No. 594]

To amend the Act of May 13, 1936, providing for terms of the United States district court at Wilkes-Barre, Pennsylvania.

Pennsylvania Middle Judicial District.  
49 Stat. 1271.  
28 U. S. C., Supp. III, § 184.

Terms of court at Wilkes-Barre.

*Proviso.*  
Writs, etc., returnable to terms at Scranton; terms not affected, etc.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act entitled "An Act to provide for terms of the United States District Court for the Middle District of Pennsylvania to be held at Wilkes-Barre, Pennsylvania", approved May 13, 1936, is amended to read as follows:

"That terms of the United States District Court for the Middle District of Pennsylvania shall be held at Wilkes-Barre, Pennsylvania, on the second Monday of April and second Monday of September of each year: *Provided, however,* That all writs, precepts, and processes shall be returnable to the terms at Scranton and all court papers shall be kept in the clerk's office at Scranton unless otherwise specially ordered by the court, and the terms at Scranton shall not be terminated or affected by the terms herein provided for at Wilkes-Barre."

Approved, June 13, 1938.

## [CHAPTER 352]

## JOINT RESOLUTION

To provide that the United States extend an invitation to the governments of the American republics, members of the Pan American Union, to hold the Eighth American Scientific Congress in the United States in 1940 on the occasion of the fiftieth anniversary of the founding of the Pan American Union; to invite these governments to participate in the proposed Congress; and to authorize an appropriation for the expenses thereof.

June 13, 1938  
[S. J. Res. 289]  
[Pub. Res., No. 109]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the President be, and is hereby, authorized and requested to invite the governments of the American republics, members of the Pan American Union, to hold the Eighth American Scientific Congress in the United States in 1940 on the occasion of the fiftieth anniversary of the founding of the Pan American Union, and to invite these governments to participate in that Congress.

Eighth American  
Scientific Congress.  
Invitation to hold,  
in United States in  
1940.

Invitation to par-  
ticipate.

SEC. 2. That the sum of \$90,000, or so much thereof as may be necessary, is hereby authorized to be appropriated for the expenses of organizing and holding the Eighth American Scientific Congress, including personal services in the District of Columbia and elsewhere, without regard to the Classification Act of 1923, as amended; communication services; stenographic reporting, translating, and other services by contract if deemed necessary, without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5); travel expenses; local transportation; hire of motor-propelled passenger-carrying vehicles; transportation of things; rent in the District of Columbia and elsewhere; printing and binding; entertainment; official cards; purchase of newspapers, periodicals, books, and documents; stationery, membership badges; and such other expenses as may be actually and necessarily incurred by the Government of the United States by reason of observance of appropriate courtesies in connection therewith, and such other expenses as may be authorized by the Secretary of State, including the reimbursement of other appropriations from which payments have been made for any of the purposes herein specified.

Appropriation au-  
thorized for expenses.

Contract services.

R. S. § 3709.  
41 U. S. C. § 5.

Reimbursement of  
other appropriations.

Approved, June 13, 1938.

## [CHAPTER 353]

## AN ACT

Authorizing the Secretary of War to convey to the town of Montgomery, West Virginia, a certain tract of land.

June 14, 1938  
[S. 1694]  
[Public, No. 595]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of War is authorized and directed to convey by quitclaim deed to the town of Montgomery, West Virginia, subject to the condition specified in section 2 of this Act, the following described tract of land situated on the left or south bank of the Kanawha River at Lock and Dam Numbered 2, town of Montgomery, Cabin Creek District, Kanawha County, State of West Virginia, and more specifically described as follows:

Montgomery, W. Va.  
Conveyance of cer-  
tain tract of land to,  
for public purposes.

Beginning at a stone monument near the top of the bank of the Kanawha River, which monument is north eighty-seven degrees and thirty-two minutes east three hundred and three and eighty-six one-hundredths feet from United States Engineer Department Bench Mark Numbered 114, said bench mark being a brass pin in the coping near the northwest corner of the abutment of said Dam Numbered 2; thence south zero degrees and thirty minutes west one hundred and forty feet to a stone monument which is south sixty-seven degrees and

Description.

twenty-seven minutes east three hundred and twenty-nine and fifty-seven one-hundredths feet from said Bench Mark Numbered 114; thence south eighty-three degrees and thirty minutes west one hundred and fifty-one feet to a stone monument which is south forty-seven degrees and four minutes east two hundred and ten and sixty-four one-hundredths feet from said Bench Mark Numbered 114; thence south six degrees and thirty minutes east two hundred feet to a stone monument at the north boundary of the right-of-way of the Chesapeake and Ohio Railway, said stone monument being also north thirty-three degrees and thirty-four minutes east one hundred and fifty-two and six-tenths feet from the northeast corner of a concrete block garage; thence along the north boundary of the right-of-way of the Chesapeake and Ohio Railway, south eighty-seven degrees and fifty minutes west three hundred and seventy-one feet to an iron pipe in the bed of Morris Creek, said iron pipe being north forty-two degrees and fifty-one minutes west thirty-six and sixty-two one-hundredths feet from the northwest corner of the bridge seat on the east abutment of the Chesapeake and Ohio Railway Bridge spanning Morris Creek; thence along the creekbed north eleven degrees and twenty minutes east two hundred and five feet to an iron pipe; thence north eighty-seven degrees and ten minutes west four hundred and seventy feet to an iron pipe; thence north thirty-three degrees west two hundred and seventy feet to the low-water line of the Kanawha River; thence, along the low-water line, south seventy-nine degrees and fifteen minutes east five hundred and forty-seven and sixty-five one-hundredths feet to a point opposite the mouth of Morris Creek; thence, further along said low-water line, north fourteen degrees and eight minutes west one hundred and ninety-nine and fifteen one-hundredths feet; thence, further along the low-water line, south eighty-nine degrees and fifty-five minutes east seven hundred and eighty-nine and ten one-hundredths feet; thence south two degrees and ten minutes west one hundred and forty feet to an iron pipe near the top of the bank of the river; thence south eighty-one degrees and ten minutes west two hundred feet to the place of beginning; containing eight and three-tenths acres, more or less. All bearings given refer to magnetic meridian used in deeds referred to subsequently, which meridian was zero degrees and forty-seven minutes west of north of the true meridian. There is expressly excepted and reserved to the United States of America the perpetual right to flood such part of the hereinbefore-described tract of land as may be necessary from time to time in the interests of navigation.

The land hereinbefore described comprises that conveyed to the United States by three separate deeds as follows: One, dated July 5, 1882, for four and eight-tenths acres from William Rigg and Emily G. Rigg, his wife, and recorded in Deed Book 39, page 335, of the records of Kanawha County; another, dated February 2, 1882, for two acres from the Keystone Coal Company, and recorded in Deed Book 39, page 337, of the records of Kanawha County; another, dated August 20, 1888, for one and five hundred eight one-thousandths acres from William Rigg and Emily G. Rigg, his wife, and recorded in Deed Book 48, page 557, of the records of Kanawha County.

Use of land.

Reversionary provision.

SEC. 2. The tract of land authorized to be conveyed by the first section of this Act shall be used by the grantee for the purpose of a public park and recreational site and for similar and related municipal purposes. The conveyance of such tract of land shall contain the express condition that if the grantee shall cease to use such tract of land for such purposes, or shall alienate or attempt to alienate such tract of land, title thereto shall revert to the United States.

Approved, June 14, 1938.

## [CHAPTER 354]

## AN ACT

To provide a uniform method for examinations for promotion of warrant officers.

June 14, 1938  
[S. 2474]  
[Public, No. 596]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That no warrant officer of the Navy shall be promoted to chief warrant officer until he shall have passed an examination before a board of commissioned officers as may be prescribed by the Secretary of the Navy.

Navy, warrant officers.  
Promotion to chief warrant officer.

SEC. 2. All laws or parts of laws inconsistent with this Act are hereby repealed to the extent of such inconsistency.

Inconsistent laws, etc., repealed.

Approved, June 14, 1938.

## [CHAPTER 355]

## AN ACT

Authorizing the Secretary of War to grant to the Coos County Court of Coquille, Oregon, and the State of Oregon an easement with respect to certain lands for highway purposes.

June 14, 1938  
[S. 3096]  
[Public, No. 597]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of War is authorized and directed to grant to the Coos County Court of Coquille, Oregon, and the State of Oregon, a permanent easement authorizing the grantees to construct and maintain a highway sixty feet in width across lands of the United States situated in Coos County, Oregon, on the north bank of the Millicoma River (north fork of Coos River) in section 13, township 25 south, range 12 west, and section 18, township 25 south, range 11 west, Willamette meridian. The easement authorized to be granted by this Act shall be in lieu of the license, revocable at the will of the Secretary of War, granted to such grantees on October 14, 1937, and shall be granted subject to such reasonable conditions as the Secretary of War may deem desirable to include in such grant for the purpose of enabling the United States to make full use of the lands bounding such highway.

State of Oregon, etc.  
Easement granted with respect to certain lands for highway purposes.

Location.

Easement in lieu of license; conditions.

Approved, June 14, 1938.

## [CHAPTER 356]

## AN ACT

Authorizing the Secretary of War to convey a certain parcel of land in Tillamook County, Oregon, to the State of Oregon to be used for highway purposes.

June 14, 1938  
[S. 3126]  
[Public, No. 598]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of War is authorized and directed to convey by quitclaim deed to the State of Oregon a parcel of land located in the northwest quarter of the northwest quarter of section 30, township 1 south, range 9 west, Willamette meridian, Tillamook County, Oregon; such parcel of land being a portion of the twelve-foot roadway which was conveyed by a certain deed dated February 8, 1908, from Annie L. Johnson and Ed Johnson, her husband, to the United States; such parcel being more particularly described as follows: Beginning at a point which is the intersection of the westerly right-of-way line of the Oregon Coast Highway and the south line of said twelve-foot roadway; said point being two hundred and twenty-one and one-tenth feet north and five and three-tenths feet east of the United States meander corner on the west line of said section 30, and on the north bank of the Hoquarton Slough; said point also being forty feet distant westerly from (when measured at right angles to) the

State of Oregon.  
Conveyance of certain land to, for highway purposes.

Description.

reconstructed center line of the Oregon Coast Highway at Engineer's Station 7+64.1; thence east along the south line of said twelve-foot roadway a distance of one hundred and fifty-four and four-tenths feet to the center of the old county road; thence north thirty-eight degrees west along the center of the county road a distance of fifteen and two-tenths feet to the north line of said twelve-foot roadway; thence west along said north line a distance of one hundred and forty-six and eight-tenths feet to a point which is forty feet distant westerly from (when measured at right angles to) the center line of said Oregon Coast Highway; thence parallel to said highway center line on a two thousand nine hundred and four and eight-tenths-foot radius curve left (the long chord of which bears south eight degrees eighteen minutes east five and eighty-seven one-hundredths feet) a distance of five and nine-tenths feet; thence south eight degrees twenty-one minutes east parallel to said center line a distance of six and three-tenths feet to the point of beginning, containing forty-two one-thousandths acre.

Use; reversionary provision.

SEC. 2. The parcel of land authorized to be conveyed by the first section of this Act shall be used for highway purposes, and the deed executed by the Secretary shall contain the express condition that if such parcel of land is used for any other purpose it shall revert to the United States.

Approved, June 14, 1938.

#### [CHAPTER 357]

#### AN ACT

To aid in providing a permanent mooring for the battleship Oregon.

June 14, 1938  
[S. 3242]  
[Public, No. 599]

Battleship "Oregon".  
Appropriation authorized for providing permanent mooring.

Removal from present berth.

Proviso.  
Local cooperation.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That there is hereby authorized to be appropriated the sum of \$25,000, to be expended by the Secretary of War, or, in his discretion, by the State of Oregon under his supervision, for the purposes of (1) preparing and constructing a suitable and permanent mooring for the battleship Oregon at a site which has been dedicated for such purpose by the city of Portland, Oregon, and (2) removing such battleship from her present berth in the Willamette River at Portland, Oregon, to such mooring: *Provided*, That no money appropriated under authority of this Act shall be expended until local interests have provided such additional funds as in the opinion of the Secretary of War are necessary to insure completion of the work.

Approved, June 14, 1938.

#### [CHAPTER 358]

#### AN ACT

Amending the Act authorizing the collection and publication of cotton statistics by requiring a record to be kept of bales ginned by counties.

June 14, 1938  
[S. 3832]  
[Public, No. 600]

Cotton statistics.  
43 Stat. 32.  
13 U. S. C. § 74.

Ginners, record of county in which cotton grown required; report.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That an Act authorizing the Director of the Census to collect and publish statistics of cotton, approved April 2, 1924, be amended by adding at the end of section 4 thereof the following:

"It shall also be the duty of every cotton ginner to keep a record of the county or parish in which each bale of cotton ginned by him is grown and to report at the March canvass of each year a segregation of the total number of bales ginned by counties or parishes in which grown."

Approved, June 14, 1938.

## [CHAPTER 359]

## AN ACT

To authorize the Cairo Bridge Commission, or the successors of said commission, to acquire by purchase, and to improve, maintain, and operate a toll bridge across the Mississippi River at or near Cairo, Illinois.

June 14, 1938  
[H. R. 9287]  
[Public, No. 601]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in order to facilitate interstate commerce, improve the postal service, and more adequately provide for military and other purposes, and to secure to the public the use of the hereinafter described bridge free of tolls as promptly as possible, the Cairo Bridge Commission (hereinafter sometimes called the commission), a body corporate and politic created by an Act of Congress approved April 13, 1934, and its successors and assigns, be, and are hereby, authorized to acquire by purchase at a price to be approved by the Chief of the Bureau of Public Roads of the Department of Agriculture and thereafter to repair, reconstruct, rebuild, enlarge, renew, or replace in accordance with the provisions of the Act entitled "An Act to regulate the construction of bridges over navigable waters", approved March 23, 1906, the existing bridge across the Mississippi River at or near Cairo, Illinois, and the approaches thereto, which was duly constructed in accordance with the provisions of the Act entitled "An Act granting the consent of Congress to the Cairo Bridge and Terminal Company to construct, maintain, and operate bridges across the Mississippi and Ohio Rivers at Cairo, Illinois", approved April 2, 1926, and to maintain and operate said existing bridge subject to the conditions and limitations contained in this Act.

Mississippi River.  
Cairo Bridge Commission, purchase and improvement of toll bridge authorized, at Cairo, Ill.

48 Stat. 577.

34 Stat. 84.  
33 U. S. C. §§ 491-498.

44 Stat. 231.  
Operation and maintenance.

Tolls authorized.

SEC. 2. The commission and its successors and assigns are hereby authorized to fix and charge tolls for transit over said bridge in accordance with the provisions of this Act.

Bond issue to cover costs, etc.

Details, form, etc., of bonds.

48 Stat. 578.

Security.  
Items included in cost.

SEC. 3. The commission is hereby authorized to provide for the payment of the cost of said bridge and its approaches and the necessary lands, easements, and appurtenances thereto by an issue or issues of negotiable bonds of the commission. The details of such bonds, their form and manner of execution, and the sale and issuance of such bonds shall be governed by the provisions of section 4 of said Act approved April 13, 1934, and such bonds and any premium to be paid for retirement thereof before maturity shall be payable solely from the sinking fund provided in accordance with this Act, and such bonds may be secured by a trust agreement as provided in said section 4 of said Act of April 13, 1934. The cost of the bridge shall include the purchase price, the cost of repairs, reconstruction, or enlargement if such repairs, reconstruction, or enlargement are ordered prior to the sale of any bonds, for the acquisition of the bridge, financing charges, interest during any period of disuse before completion of repairs, reconstruction, or enlargement, cost of traffic estimates and of engineering and legal expenses, administrative expenses and such other expenses as may be incident to such acquisition and to the financing herein authorized.

SEC. 4. In fixing the rates of toll to be charged for the use of said bridge the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to pay the principal and interest of such bonds as the same shall fall due and the redemption or repurchase price of all or any thereof redeemed or repurchased before maturity as herein provided. All tolls and other revenues from said bridge are hereby pledged to such uses and to the application thereof as in this Act required.

Application of tolls to maintenance, sinking fund, etc.

Provisions appli-  
cable as to financing.

Conveyance of in-  
terests to Missouri  
and Illinois after pay-  
ment of bonds, etc.

Operation by Com-  
mission if either State  
fails to accept.

Dissolution of Com-  
mission upon convey-  
ance.

48 Stat. 577.

Amendment, etc.

SEC. 5. All of the provisions of sections 4 and 5 of said Act of April 13, 1934, relating to the bridge to be constructed, to the bonds to be issued and to the trust agreement to be entered into under the authority of said Act, and relating to the collection of bridge tolls and to the application of such tolls, shall apply to the bridge to be acquired and to the bonds to be issued under the authority of this Act.

SEC. 6. After payment of the bonds issued under this Act and interest thereon, or after a sinking fund sufficient for such payment shall have been provided and shall be held for that purpose, the commission shall deliver deeds or other suitable instruments for the conveyance of the interests of the commission in and to the bridge, that part within the State of Missouri to the State of Missouri or any municipality or agency thereof as may be authorized by or pursuant to law to accept the same (hereinafter referred to as the Missouri interests) and that part within Illinois to the State of Illinois or any municipality or agency thereof as may be authorized by or pursuant to law to accept the same (hereinafter referred to as the Illinois interests), under the conditions that the bridge shall thereafter be free of tolls and be properly maintained, operated, and repaired by Missouri interests and the Illinois interests, as may be agreed upon; but if either the Missouri or the Illinois interests shall not be authorized to accept and shall not accept the same under such conditions, then the bridge shall continue to be owned, maintained, operated, and repaired by the commission, and the rates of toll shall be so adjusted as to provide a fund not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management until such time as both the Missouri interests and the Illinois interests should be authorized to accept and shall accept such conveyance under such conditions. The commission shall not be dissolved until it shall have conveyed all property owned by it in accordance with the provisions of this Act and the Act of April 13, 1934, and thereupon the commission shall be dissolved in the manner provided by said Act of April 13, 1934.

SEC. 7. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, June 14, 1938.

#### [CHAPTER 360]

#### AN ACT

June 14, 1938  
[H. R. 9975]  
[Public, No. 602]

To extend the times for commencing and completing the construction of a bridge over Lake Sabine at or near Port Arthur, Texas.

Lake Sabine.  
Time extended for  
bridging, at Port Ar-  
thur, Tex.

48 Stat. 1008; 49  
Stat. 1196; 50 Stat.  
630.

Amendment.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the times for commencing and completing the construction of a bridge over Lake Sabine, at or near Port Arthur, Texas, authorized to be built by the city of Port Arthur, Texas, or the Port Arthur Bridge Commission and its successors, by an Act of Congress approved June 18, 1934 (48 Stat. 1008), and heretofore amended and extended by Acts of Congress approved April 10, 1936, and August 12, 1937, are hereby further extended one and three years, respectively, from August 12, 1938.

SEC. 2. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, June 14, 1938.

## [CHAPTER 361]

## AN ACT

Authorizing the city of Greenville, Mississippi, and Washington County, Mississippi, singly or jointly, to construct, maintain, and operate a toll bridge across the Mississippi River from a point at or near the city of Greenville, Washington County, Mississippi, to a point at or near Lake Village, Chicot County, Arkansas.

June 14, 1938  
[H. R. 9983]  
[Public, No. 603]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in order to promote interstate commerce, improve the Postal Service, and provide for military and other purposes, the city of Greenville, Mississippi, and Washington County, Mississippi, singly or jointly, be, and are hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Mississippi River at a point suitable to the interests of navigation, from or near Greenville, Washington County, Mississippi, to a point at or near Lake Village, Chicot County, Arkansas, in accordance with the provisions of the Act entitled "An Act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this Act.

Mississippi River.  
Bridge authorized  
across, at Greenville,  
Miss.

34 Stat. 84.  
33 U. S. C. §§ 491-  
498.

SEC. 2. There is hereby conferred upon the city of Greenville, Mississippi, and Washington County, Mississippi, acting singly or jointly, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, maintenance, and operation of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which such real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

Right to acquire  
real estate, etc.

SEC. 3. The said city of Greenville, Mississippi, and Washington County, Mississippi, acting singly or jointly, be, and are hereby, authorized to fix and charge tolls for transit over such bridge, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the Act of March 23, 1906.

Toll charges.

SEC. 4. In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management, and to provide a sinking fund sufficient to amortize the cost of such bridge and its approaches, including reasonable interest and financing cost, as soon as possible, under reasonable charges, but within a period of not to exceed forty years from the completion thereof. After a sinking fund sufficient for such amortization shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls. An accurate record of the cost of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

Application of tolls  
to operation, sinking  
fund, etc.

Maintenance as free  
bridge after amortiz-  
ing costs, etc.

Record of expendi-  
tures and receipts.

SEC. 5. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Amendment.

Approved, June 14, 1938.



## [CHAPTER 362]

## AN ACT

June 14, 1938  
[H. R. 10075]  
[Public, No. 604]

To extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Brownville, Nebraska.

Missouri River.  
Time extended for  
bridging, at Brown-  
ville, Nebr.

49 Stat. 1068, 1529; 50  
Stat. 28.

Amendment.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the times for commencing and completing the construction of the bridge across the Missouri River, at or near Brownville, Nebraska, authorized to be built by the county of Atchison, State of Missouri, and the county of Nemaha, State of Nebraska, singly or jointly, by section 18 of the Act of Congress approved August 30, 1935, heretofore extended by Acts of Congress approved June 19, 1936, and March 10, 1937, are hereby extended one and three years respectively, from June 19, 1938.

SEC. 2. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, June 14, 1938.

## [CHAPTER 363]

## AN ACT

June 14, 1938  
[H. R. 10275]  
[Public, No. 605]

To extend the times for commencing and completing the construction of a bridge and causeway across the water between the mainland, at or near Cedar Point and Dauphin Island, Alabama.

Mobile Bay.  
Time extended for  
bridging, Cedar Point  
to Dauphin County,  
Ala.

50 Stat. 250.

Amendment.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the times for commencing and completing the construction of a bridge and causeway between the mainland at or near Cedar Point and Dauphin Island, Alabama, heretofore authorized to be built by Dauphin Island Railway and Harbor Company, its successors and assigns (Mobile County, Alabama, and Highway Bridge Commission, Incorporated, an Alabama corporation, and Alabama Bridge Commission, an agency of the State of Alabama, transferees), as last extended by Public Law Numbered 138, Seventy-fifth Congress, approved June 9, 1937, are hereby extended one and three years, respectively, from the date of approval of this Act.

SEC. 2. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, June 14, 1938.

## [CHAPTER 364]

## AN ACT

June 14, 1938  
[H. R. 10297]  
[Public, No. 606]

To extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Rulo, Nebraska.

Missouri River.  
Time extended for  
bridging, at Rulo,  
Nebr.

47 Stat. 1555; 49 Stat.  
728; 50 Stat. 167.

Amendment.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the times for commencing and completing the construction of a bridge across the Missouri River, at or near Rulo, Nebraska, authorized to be built by John C. Mullen, John H. Hutchings, William Shepherd, their heirs, legal representatives, and assigns, by Act of Congress approved March 4, 1933, heretofore extended by Acts of Congress approved August 23, 1935, and May 15, 1937, are hereby extended one and three years, respectively, from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, June 14, 1938.

## [CHAPTER 365]

## AN ACT

To extend the times for commencing and completing the construction of a bridge across the Coosa River at or near Gilberts Ferry in Etowah County, Alabama.

June 14, 1938  
[H. R. 10611]  
[Public, No. 607]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the times for commencing and completing the construction of a bridge across the Coosa River at or near Gilberts Ferry in Etowah County, Alabama, authorized to be built by the State of Alabama, or Etowah County, or both, by an Act of Congress approved March 10, 1937, are hereby extended one and three years, respectively, from the date of approval hereof.

Coosa River.  
Time extended for  
bridging, at Gilberts  
Ferry, Ala.

50 Stat. 27.

SEC. 2. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Amendment.

Approved, June 14, 1938.

## [CHAPTER 381]

## AN ACT

To provide for the establishment of a commissary or vending stand in the Washington Asylum and Jail.

June 14, 1938  
[H. R. 9404]  
[Public, No. 608]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the superintendent of the jail in the District of Columbia, known as the Washington Asylum and Jail, is hereby authorized, with the approval of the Board of Public Welfare, to permit Louis Haag to operate as a concession a commissary or vending stand in such jail, where the same may be most properly and satisfactorily operated, for the purpose of vending periodicals, confections, tobacco products, and such other articles as may, in the judgment of said superintendent, be properly sold to persons or prisoners therein.

Washington Asy-  
lum and Jail, D. C.  
Operation of vend-  
ing stand by Louis  
Haag authorized.

Approved, June 14, 1938.

## [CHAPTER 382]

## AN ACT

To amend the Act of June 25, 1910, relating to the construction of public buildings, and for other purposes.

June 15, 1938  
[H. R. 9683]  
[Public, No. 609]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 35 of the Act entitled "An Act to increase the limit of cost of certain public buildings, to authorize the enlargement, extension, remodeling, or improvement of certain public buildings, to authorize the erection and completion of public buildings, to authorize the purchase of sites for public buildings, and for other purposes", approved June 25, 1910 (36 Stat. 699; U. S. C., 1934 edition, title 40, sec. 265), is hereby amended to read as follows:

Construction of  
public buildings.

"SEC. 35. The Secretary of the Treasury may, in his discretion, upon the request of the head of any other executive department, independent establishment, or other Federal agency, cause the Procurement Division, Treasury Department, to carry out the construction of any building or buildings for governmental purposes which any such executive department, establishment, or agency may be authorized to have constructed, including the preparation of plans, drawings, designs, specifications, and estimates, the acquisition of land necessary for sites, the execution of contracts, and supervision of construction: *Provided*, That funds appropriated to other executive departments, independent establishments, or other Federal agen-

36 Stat. 699.  
40 U. S. C. § 265.

Plans for buildings  
for departments, etc.

Acquisition of sites,  
etc.

*Provided*.  
Transfer of funds  
authorized.

cies for the foregoing purposes shall be available for transfer to and expenditure by the Procurement Division, Treasury Department, in whole or in part, either in reimbursement of the proper appropriations of the Procurement Division, for the cost of such work, or as advances to special accounts for the purpose of providing for the prosecution of said work."

Approved, June 15, 1938.

[CHAPTER 383]

AN ACT

June 15, 1938  
[H. R. 9933]  
[Public, No. 610]

To authorize the United States Golden Gate International Exposition Commission to produce and sell certain articles, and for other purposes.

Golden Gate International Exposition, 1939.  
Production and sale of certain articles by Commission authorized.

Use of proceeds.

50 Stat. 488.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the United States Golden Gate International Exposition Commission is hereby authorized to produce (whether through a governmental agency or otherwise) and sell engravings, etchings, or other reproductions not prohibited by law, to the extent authorized by the Secretary of the Treasury, and a souvenir book descriptive of the functions of the Federal Government. All proceeds from the sale of these articles shall be deposited to the credit of the appropriation made for carrying into effect the provisions of the Act of July 9, 1937 (50 Stat. 488), providing for the participation of the United States in the World's Fair to be held by the San Francisco Bay Exposition, Incorporated, in the city of San Francisco during the year 1939.

Approved, June 15, 1938.

[CHAPTER 384]

AN ACT

June 15, 1938  
[H. R. 10455]  
[Public, No. 611]

To authorize the Secretary of War to proceed with the construction of certain public works in connection with the War Department in the District of Columbia.

Army Medical Library and Museum, D. C.  
Construction of building, etc., to replace present structure authorized.  
*Provides.*  
Advice by National Capital Park and Planning Commission.

Limitation on cost.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of War is hereby authorized to construct in the District of Columbia a building with the utilities, accessories, and appurtenances thereto to replace the present Army Medical Library and Museum Building now located in the District of Columbia: *Provided,* That the advice of the National Capital Park and Planning Commission as to the selection of the site be requested before construction herein authorized shall begin: *Provided further,* That the total cost of the construction hereby authorized shall not exceed the sum of \$3,750,000.

Approved, June 15, 1938.

[CHAPTER 385]

AN ACT

June 15, 1938  
[H. R. 10737]  
[Public, No. 612]

To authorize the Secretary of War to grant rights-of-way for highway purposes and necessary storm sewer and drainage ditches incident thereto upon and across Kelly Field, a military reservation in the State of Texas; to authorize an appropriation for construction of the road, storm sewer, drainage ditches and necessary fence lines.

Bexar County, Tex.  
Easement for rights-of-way to, for road, etc., construction across portion of Kelly Field granted.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of War be, and he is hereby, authorized to grant an easement for rights-of-way to Bexar County, State of Texas, for construction of a road and fence across the southern portion of Kelly Field, a military reservation in the State of Texas, from a point known as Leon

Creek to a point known as the Quintana Road, and an underground storm sewer and open drainage ditches incident thereto, upon such conditions as the Secretary of War may prescribe: *Provided*, That in exchange Bexar County will convey to the United States its right, title, and interest in the site of the present road, which will be abandoned and closed, and which is described as that portion of the present Pearsall Road, approximately sixty feet wide, extending from the north line of Kelly Field, Texas, southwesterly approximately ten thousand six hundred and fifty feet to the north line of the proposed new road: *And provided further*, That Bexar County shall be allowed to salvage the surfacing materials from said road to be abandoned and closed.

SEC. 2. There is hereby authorized to be appropriated the sum of \$60,000, or such amount thereof as may be necessary, for the construction of the hereinbefore-described road, storm sewer, and drainage ditches, including such fence or fences as are deemed necessary by the Secretary of War by reason of the construction of said road: *Provided*, That said sums shall be made payable to Precinct Numbered 1, Bexar County, State of Texas, after the Secretary of War determines that said road, storm sewer, drainage ditches and fence or fences have been satisfactorily completed: *And provided further*, That Bexar County shall maintain said road after its completion and constantly make needed repairs thereto to preserve a smooth surfaced highway.

Approved, June 15, 1938.

Sewer, drainage, etc.

*Provisos.*  
Present road in exchange.

Salvaging of surfacing materials.

Appropriation authorized.

*Provisos.*  
Payments.

Maintenance after completion.

#### [CHAPTER 386]

##### AN ACT

To provide funds for cooperation with School District Numbered 2, Mason County, State of Washington, in the construction of a public-school building to be available to both white and Indian children.

June 15, 1938  
[S. 2368]  
[Public, No. 613]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That there is hereby authorized to be appropriated, out of any funds in the Treasury not otherwise appropriated, the sum of \$25,000 for the purpose of cooperating with School District Numbered 2, Mason County, State of Washington, for the construction and equipment of a public-school building at Lower Skokomish, State of Washington: *Provided*, That said school shall be conducted for both white and Indian children without discrimination, and that the cost of education of white children shall be defrayed by the State and local public-school authorities, in accordance with such agreement or agreements as may be made between the Secretary of the Interior and State or local officials, and any and all sums of money obtained by reason of such agreement or agreements shall be available for reexpenditure for support and maintenance of said school.

Approved, June 15, 1938.

Mason County, Wash.  
Appropriation authorized for public-school construction.

*Proviso.*  
White and Indian pupils.  
Payment of cost of education of white children.

#### [CHAPTER 387]

##### AN ACT

For the relief of certain officers of the United States Navy and the United States Marine Corps.

June 15, 1938  
[S. 2409]  
[Public, No. 614]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the President of the United States be, and he is hereby, authorized to appoint to the next higher grade or rank on the active list such officers of the line of the United States Navy and such officers of the United States

Navy and Marine Corps.  
Advancement of certain officers ineligible for promotion under certain laws.

48 Stat. 811, 814.  
34 U. S. C. §§ 286h,  
626a.  
Navy Staff Corps,  
ineligible since Au-  
gust 5, 1935.

49 Stat. 530.  
34 U. S. C., Supp.  
III, §§ 349-349k.  
*Provides.*  
Establishment of  
qualifications.

Disqualifications  
caused in line of duty,  
retirement provisions.

Promoted officers to  
be carried as extra  
numbers, etc.

Effective date of  
promotion.

No back pay, etc.

Certain retired of-  
ficers, rank and re-  
tired pay.

Marine Corps as became eligible by seniority for promotion to a higher grade or rank prior to May 29, 1934, under the laws then in force, and became ineligible for such promotion through the passage of the Acts approved May 29, 1934 (48 Stat. 811 and 814; U. S. C., title 34, sections 286h and 626a), and such officers of the Staff Corps of the United States Navy as became eligible by seniority for promotion to a higher grade or rank prior to August 5, 1935, under the laws then in force, and became ineligible for such promotion through the passage of the Act approved August 5, 1935 (49 Stat. 530), who have not been promoted to such higher grade or rank prior to the date of this Act: *Provided*, That such officers shall, prior to promotion as herein authorized, be required to establish under existing law their mental, moral, professional, and physical qualifications to perform all the duties of the grade or rank to which authorized to be appointed by the provisions of this Act, except that all such officers who are found physically or mentally not qualified for promotion due to causes originating in the line of duty shall be placed on the retired list in the grade or rank and with the retired pay to which their seniority would have entitled them under the laws in force at the time they became eligible by seniority for promotion: *Provided further*, That when promoted to the next higher grade or rank they shall be carried as extra numbers but only in the grade or rank to which promoted pursuant to this Act, and shall take precedence with, but after, the officers of the line or the Staff Corps of the Navy, or of the Marine Corps, respectively, next after whom they would have taken precedence had they been promoted to the next higher grade or rank under the laws in force at the time they became eligible by seniority for such promotion: *Provided further*, That for purposes of pay and service in grade they shall be held to have been promoted as of the date on which they became eligible by seniority for promotion: *And provided further*, That no back pay or allowances shall be held to have accrued prior to the passage of this Act.

SEC. 2. That such officers of the line of the United States Navy and of the United States Marine Corps as became eligible by seniority for promotion prior to May 29, 1934, under the laws then in force, and such officers of the Staff Corps of the United States Navy as became eligible by seniority for promotion prior to August 5, 1935, under the laws then in force, as have been retired on or before the date of this Act on account of mental or physical disability due to causes originating in the line of duty or as an incident of the service, shall have the rank and retired pay to which they would have been entitled had these disabilities been discovered by naval boards convened to determine their mental, moral, professional, and physical fitness for promotion to the next higher grade or rank under the laws then in force relative to promotion based upon seniority.

Approved, June 15, 1938.

#### [CHAPTER 388]

#### AN ACT

Providing for the addition of certain lands to the Black Hills National Forest in the State of Wyoming.

June 15, 1938  
[S. 3416]  
[Public, No. 615]

Black Hills Na-  
tional Forest, Wyo.  
Addition of certain  
lands.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That subject to all valid existing claims, entries, and leases, all of the lands of the United States within the following-described area are hereby added to and made a part of the Black Hills National Forest in the State

of Wyoming, and such lands shall hereafter be administered under the laws and regulations relating to the national forests:

BEAR LODGE UNIT, SIXTH PRINCIPAL MERIDIAN

Description.

Township 55 north, range 63 west: Sections 5 to 9, inclusive, 16 to 21, inclusive, 28 to 34, inclusive, and west half section 4, west half section 27.

Township 54 north, range 63 west: Sections 4 to 9, inclusive, 17, 18, 19, 28 to 32, inclusive, west half section 3; north half northeast quarter and west half section 20; north half, southwest quarter and north half southeast quarter and north half southwest quarter southeast quarter section 33.

Township 53 north, range 65 west: Sections 1, 12, 13, 24, 25, 36.

Township 53 north, range 64 west: Sections 1 to 12, inclusive, 15 to 22, inclusive, 27 to 34, inclusive, northeast quarter and west half section 14.

Township 53 north, range 63 west: North half section 5, section 6, and northwest quarter section 7.

Township 52 north, range 65 west: Sections 1 to 36, inclusive.

Township 52 north, range 64 west: Sections 3 to 10, inclusive, 14 to 36, inclusive.

Township 52 north, range 63 west: Section 31 and east half section 36.

Township 51 north, range 63 west: Sections 1, 6, 8, 10, 11, 12, and west half southwest quarter section 5; east half northeast quarter, southeast quarter, south half southwest quarter section 9.

SEC. 2. Any of the lands described in the first section of this Act which are privately owned may be accepted in exchange by the Secretary of the Interior under the provisions of the Act entitled "An Act to consolidate national forest lands", approved March 20, 1922, as amended. All of such lands so accepted in exchange shall be added to and made a part of the Black Hills National Forest in the State of Wyoming and shall thereafter be administered under the laws and regulations relating to the national forests.

Approved, June 15, 1938.

Lands accepted in exchange.

42 Stat. 465.  
16 U. S. C. § 485.  
Administration.

[CHAPTER 389]

AN ACT

For the relief of the State of Wyoming.

June 15, 1938  
[S. 3417]

[Public, No. 616]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of War is authorized to give to the account of the National Guard of the State of Wyoming credit in the amount of \$12,046.07 for the money value of property listed on approved surveys of military property and equipment charged to an accountable State under section 47 of title 32, United States Code, said credit to be allowed as a set-off against the credit in favor of such accountable State, which amount shall be held and considered to have been expended by the State in the payment of troops between the mobilization of such troops on July 25, 1917, and the date of their Federal muster August 5, 1917. This credit shall be established by submission of vouchers or other evidence of payment of troops by the State which is acceptable to the Chief of Finance, United States Army, in the amount of \$12,046.07: *Provided*, That the credit to the State of Wyoming above specified shall have no other effect than the cancelation of the indebtedness of the State of Wyoming in the amount of \$12,046.07 for

State of Wyoming.  
Credit to account of  
National Guard, as a  
set-off against credit  
in favor of State.

32 U. S. C. § 47.

Evidence of payment.

*Prorogues.*  
Credit limited to  
cancelation of State  
indebtedness.

32 U. S. C. § 47.

Credit to be in full satisfaction of State's claim.

which it has been held chargeable by the War Department under section 47 of title 32, United States Code: *And provided further*, That the credit herein authorized to be given to the account of the National Guard of the State of Wyoming shall be held and considered to be given in full satisfaction of the claim of said State against the United States for the payment of troops between July 25, 1917, and August 5, 1917.

Approved, June 15, 1938.

[CHAPTER 390]

AN ACT

June 15, 1938

[S. 3849]

[Public, No. 617]

Authorizing the Secretary of the Treasury to transfer on the books of the Treasury Department to the credit of the Chippewa Indians of Minnesota the proceeds of a certain judgment erroneously deposited in the Treasury of the United States as public money.

Chippewa Indians of Minnesota.

Transfer of proceeds of judgment, erroneously deposited as public money, to credit of.  
25 Stat. 642.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to credit as of July 12, 1902, the permanent fund of the Chippewa Indians of Minnesota arising under the Act of January 14, 1889 (25 Stat. L. 642), and the agreements made thereunder, with the sum of \$59,401.04, being the value of the timber at the time of conversion as awarded in that certain judgment entered in the Circuit Court of the United States for the District of Minnesota pursuant to the mandate of the Supreme Court of the United States in the case entitled "Pine River Logging and Improvement Company and others against United States" (186 U. S. 279), and which judgment was erroneously deposited July 12, 1902, in the Treasury of the United States as public money and to credit the interest fund of said Indians with interest thereon from July 12, 1902, at the rate provided in said Act of January 14, 1889, and agreements made thereunder, to the date said credit is given, together with the sum of \$39,284.76, being the amount of interest collected by the United States in said action.

Compensation of attorneys.

R. S. § 2103.  
25 U. S. C. § 81.

SEC. 2. That the Secretary of the Interior be, and he is hereby, authorized to determine just and proper compensation to the respective attorneys representing the Chippewa Indians of Minnesota, under contracts approved pursuant to section 2103 of the Revised Statutes of the United States, in the prosecution of their claims against the United States for services rendered in the prosecution of said claim, said compensation to be based upon the nature, extent, character, and value of the services rendered and moneys expended, and to pay such amounts, if any, not exceeding 10 per centum of the amount recovered, as he may find said attorneys to be entitled to receive, out of the trust funds standing to the credit of the Chippewa Indians of Minnesota.

Approved, June 15, 1938.

[CHAPTER 391]

AN ACT

June 15, 1938

[H. R. 7560]

[Public, No. 618]

To authorize alterations and repairs to certain naval vessels, and for other purposes.

U. S. S. "Lexington" and "Saratoga."  
Waiver of limitation on expenditure for repairs.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That for the purpose of modernizing the United States ships Lexington and Saratoga alterations and repairs to such vessels are hereby authorized and expenditures therefor shall not be limited by the provisions of the

Act approved July 18, 1935 (49 Stat. 482), but the total cost of such alterations and repairs shall not exceed \$15,000,000: *Provided*, That the alterations and repairs to naval vessels authorized by this Act shall be subject to the provisions of such treaty or treaties limiting naval armaments as may be in effect at the time such alterations and repairs are undertaken.

Approved, June 15, 1938.

49 Stat. 482.  
5 U. S. C., Supp.  
III, § 468a.  
*Provido.*  
Alterations subject  
to treaty provisions.

[CHAPTER 292]

AN ACT

To amend the Act entitled "An Act to provide compensation for disability or death resulting from injuries to employees in certain employments in the District of Columbia, and for other purposes".

June 15, 1938  
[H. R. 7834]  
[Public, No. 619]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Act entitled "An Act to provide compensation for disability or death resulting from injuries to employees in certain employments in the District of Columbia, and for other purposes", approved May 17, 1928, be, and the same is hereby, amended by changing the period at the end of subsection (4) of section 2 thereof into a semicolon and adding the following words immediately thereafter: "and (5) any secretary, stenographer, or other person performing any services in the office of any Member of Congress or under the direction, employment, or at the request of any Member of Congress, within the scope of the duties performed by secretaries, stenographers, or such employees of Members of Congress."

Approved, June 15, 1938.

District of Colum-  
bia.  
Compensation to  
certain employees in,  
for disability, etc.  
45 Stat. 600.  
19 D. C. Code § 11.  
Employments ex-  
cepted.

Persons employed  
in office of Members of  
Congress.

[CHAPTER 393]

AN ACT

To amend section 3336 of the Revised Statutes, as amended, pertaining to brewers' bonds, and for other purposes.

June 15, 1938  
[H. R. 8665]  
[Public, No. 620]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 3336 of the Revised Statutes, as amended (U. S. C., 1934 edition, Supp. III, title 26, sec. 1334 (b)), is further amended to read as follows:

"SEC. 3336. Every brewer, on filing notice as provided by law of his intention to commence or continue business, shall execute a bond to the United States in a penal sum equal to the amount of the tax on fermented malt liquor which, in the opinion of the Commissioner of Internal Revenue, said brewer will be liable to pay during any one month: *Provided*, That the penal sum of any such bond shall not exceed \$100,000 nor be less than \$1,000. The bond shall be conditioned that the brewer shall pay, or cause to be paid, as herein provided, the tax required by law on all beer, lager beer, ale, porter, and other fermented liquors made by or for him, before the same is sold or removed for consumption or sale, except as hereinafter provided; and that he shall keep, or cause to be kept, in the manner required by law, a book which shall be open to inspection by the proper officers, as by law required; and that he shall in all respects faithfully comply, without fraud or evasion, with all requirements of law relating to the manufacture and sale of any malt liquors aforesaid. Once in every four years, or whenever required so to do by the Commissioner of Internal Revenue, or such officer as may be designated by the Commissioner of Internal Revenue, the brewer shall execute a new bond in the penal sum prescribed in pursuance of this section, and conditioned as above

Liquor tax admin-  
istration.  
R. S. § 3336.  
26 U. S. C., Supp.  
III, § 1334 (b).  
Brewer's bond.

*Provisos.*  
Amount.  
Conditions.

Records.

Renewals.



provided, which bond shall be in lieu of any former bond or bonds of such brewer in respect to all liabilities accruing after its approval."

Approved, June 15, 1938.

[CHAPTER 394]

AN ACT

June 15, 1938

[H. R. 9014]

[Public, No. 621]

To authorize the conveyance to the Lane S. Anderson Post Numbered 297, Veterans of Foreign Wars of the United States, of a parcel of land at lock numbered 6, Kanawha River, South Charleston, West Virginia.

Lane S. Anderson  
Post, No. 297, Veterans  
of Foreign Wars, South  
Charleston, W. Va.  
Conveyance of cer-  
tain land to.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of War is authorized and directed to convey by quitclaim deed to the Lane S. Anderson Post, Numbered 297, Veterans of Foreign Wars of the United States, South Charleston, West Virginia, for the sum of \$2,250, a tract of land, together with the improvements thereon, situated on the left or south bank of the Kanawha River at lock numbered 6, city of South Charleston, Kanawha County, West Virginia, and more specifically described as follows:

Description.

Beginning at a stone monument at the southwestern corner of the tract of land, said point of beginning also being the intersection of the northeastern boundary line of F Street and the northwestern boundary line of Eleventh Avenue of said city; thence from the said point of beginning along the said F Street boundary line north twenty-two degrees forty-five minutes west three hundred and twelve feet to a point in the shore line of the Kanawha River; thence upstream along the shore line approximately one hundred and two feet; thence south twenty-three degrees thirty minutes east exactly three hundred and twelve feet to a point in the aforesaid northwestern boundary line of Eleventh Avenue; thence along this boundary line south sixty-six degrees thirty minutes west one hundred and four and eight-tenths feet to the point of beginning; containing seventy-four one-hundredths acre, more or less, subject to the perpetual right of the United States of America to flood such part of said land as may be necessary from time to time in the interest of navigation or flood control.

The land hereinbefore described was acquired by the United States of America by condemnation, recorded in the Kanawha County Circuit Court record book numbered 4, pages 300 and 509, of the records of said county.

Conditions.

SEC. 2. The deed of conveyance of the property shall contain the following conditions:

Reversionary pro-  
vision.

"That in the event the grantee shall cease to use the property for the purposes of the organization, or shall alienate or attempt to alienate such property, title thereto shall revert to the United States.

Sewer connection  
with city system.

"That the grantee shall at its own expense provide sewer connections with the municipal sewer system.

Payment of ex-  
penses.

"That the grantee shall bear any expenses (other than the preparation of the deed of conveyance) necessary to accomplish the conveyance."

Approved, June 15, 1938.

## [CHAPTER 395]

## AN ACT

To amend an Act entitled "An Act to authorize boxing in the District of Columbia, and for other purposes."

June 15, 1938  
[H. R. 9227]  
[Public, No. 622]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act entitled "An Act to authorize boxing in the District of Columbia, and for other purposes", is hereby amended to read as follows:

District of Columbia Boxing Commission.  
48 Stat. 608.

Collegiate, etc., boxing, supervision.

"1. (a) In the event that the authorities in charge shall notify the Boxing Commission that they do not desire its supervision, then the provisions of this Act shall not apply in any way to any amateur boxing match or exhibition conducted by or participated in exclusively by any school, college, or university, as defined in this Act, or by any association or organization composed exclusively of such schools, colleges, or universities when each contestant in any such match or exhibition is a student regularly enrolled for not less than one-half time in a school, college, or university as herein defined.

"(b) As used in this Act 'school, college, or university' includes every school, college, or university supported in whole or in part from public funds and every other school, college, or university supported in whole or in part by a religious, charitable, scientific, literary, educational, or fraternal organization which is not operated for profit and no part of the net earnings of which inures to the benefit of any private shareholder or individual."

Terms defined.

Approved, June 15, 1938.

## [CHAPTER 396]

## AN ACT

To amend the District of Columbia Alcoholic Beverage Control Act.

June 15, 1938  
[H. R. 9417]  
[Public, No. 623]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (g) of section 11 of the District of Columbia Alcoholic Beverage Control Act, as amended, is hereby amended as follows:

District of Columbia Alcoholic Beverage Control Act, amendments.

In the second paragraph of said subsection strike out the words "\$20 per annum;" and insert in lieu thereof "\$10 per annum: *Provided*, That such a license may be issued to any company engaged in interstate commerce covering all dining, club, and lounge cars operated by such company on railroads within the District of Columbia upon the payment of an annual fee of \$30;"

48 Stat. 325.  
License fees, Retailer's, Class C.  
Railroad dining, etc., cars.  
*Provided*,  
Single license to company engaged in interstate commerce.

SEC. 2. That subsection (h) of section 11 of the District of Columbia Alcoholic Beverage Control Act, as amended, is hereby amended as follows:

Retailer's, Class D.  
48 Stat. 326.

Change the period to a colon at the end of the second paragraph of said subsection and add the following: "*Provided*, That such a license may be issued to any company engaged in interstate commerce covering all dining, club, and lounge cars operated by such company on railroads within the District of Columbia upon the payment of an annual fee of \$30."

*Provided*,  
License to company engaged in interstate commerce.

SEC. 3. That subsection (d) of section 14 of the District of Columbia Alcoholic Beverage Control Act, as amended, is hereby amended as follows:

Separate application for each location.  
48 Stat. 329.

Change the period to a comma at the end of the first sentence of said subsection ending with the word "business" and insert the following: "except that a company engaged in interstate commerce may file one application for a license for the operation thereunder of all of its dining, club, and lounge cars operated on railroads within the District of Columbia."

Exception, railroad companies.

Approved, June 15, 1938.

## [CHAPTER 397]

## AN ACT

To add certain lands to the Ochoco National Forest, Oregon.

June 15, 1938  
[H. R. 9523]  
[Public, No. 624]

Ochoco National  
Forest, Oreg.  
Lands added.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, subject to existing valid claims, the following-described lands be, and the same hereby are, added to the Ochoco National Forest, Oregon, and made subject to all laws appertaining to the national forests, to wit:

## WILLAMETTE BASE AND MERIDIAN

## Description.

Township 12 south, range 17 east, northwest quarter section 4, section 6, west half section 19, south half section 21, and sections 28 to 33, inclusive;

Township 12 south, range 16 east, sections 1 to 4, inclusive, sections 9 to 16, inclusive, sections 21 to 28, inclusive, and sections 33 to 36, inclusive;

Township 13 south, range 15 east, sections 1 and 2, and 11 to 14, inclusive;

Township 13 south, range 16 east, sections 1 to 18, inclusive, 23 to 26, inclusive, and sections 35 and 36;

Township 14 south, range 17 east, sections 1 to 12, inclusive;

Township 14 south, range 18 east, sections 1 to 16, inclusive, sections 21 to 28, inclusive, and sections 33 to 36, inclusive;

Township 14 south, range 19 east, sections 4 to 9, inclusive, sections 16 to 23, inclusive, and sections 26 to 36, inclusive;

Township 15 south, range 18 east, sections 1 to 4, inclusive, sections 9 to 16, inclusive, and sections 19 to 36, inclusive;

All of township 15 south, range 19 east;

Township 15 south, range 20 east, section 31;

Township 15 south, range 22 east, section 16;

Township 15 south, range 23 east, section 16;

Township 15 south, range 24 east, section 19;

Township 16 south, range 18 east, sections 1 to 4, inclusive;

Township 16 south, range 19 east, sections 5 and 6;

Township 16 south, range 20 east, south half section 3, south half section 4, and sections 9 to 12, inclusive.

Approved, June 15, 1938.

## [CHAPTER 398]

## AN ACT

To authorize the Secretary of Commerce to dispose of material of the Bureau of Lighthouses to the Sea Scout Department of the Boy Scouts of America.

June 15, 1938  
[H. R. 9557]  
[Public, No. 625]

Sea Scout Department of Boy Scouts of America.

Disposal of obsolete, etc., material of Bureau of Lighthouses to, authorized.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of Commerce is hereby authorized, in his discretion, to dispose of without charge, except for transportation and delivery to the Sea Scout Department of the Boy Scouts of America, such condemned or obsolete material as may not be needed for the Bureau of Lighthouses, and such other material as may be spared, at prices representing its fair value to the Department of Commerce.

Approved, June 15, 1938.

## [CHAPTER 399]

## AN ACT

To permit sales of surplus scrap materials of the Navy to certain institutions of learning.

June 15, 1938  
[H. R. 9611]

[Public, No. 626]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 2 of the Act entitled "An Act making appropriations for the naval service for the fiscal year ending June 30, 1883, and for other purposes", approved August 5, 1882 (22 Stat. 296), is hereby amended by inserting before the period at the end of the fourth sentence thereof the following: "": *Provided*, That the Secretary of the Navy is authorized, in his discretion, to sell, at the prices established for issue to naval activities, surplus scrap metals of the Navy, to schools, colleges, and universities for use in courses of instruction in vocational training: *Provided further*, That any costs incident to the transportation or delivery of such scrap metals shall be charged to the purchaser".

Navy.

22 Stat. 296.

Sales of surplus scrap metals to schools, etc., authorized.

Transportation costs.

Approved, June 15, 1938.

## [CHAPTER 400]

## AN ACT

To require that horses and mules belonging to the United States which have become unfit for service be destroyed or put to pasture.

June 15, 1938  
[H. R. 9848]

[Public, No. 627]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That notwithstanding the first proviso in the fourth paragraph under the heading "Division of Supply" in title I of the Act entitled "An Act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1930, and for other purposes", approved December 20, 1928 (45 Stat. 1030), horses and mules belonging to the United States which have become unfit for service may be destroyed or put out to pasture.

Disposition of un-serviceable horses and mules belonging to United States.

45 Stat. 1030.  
40 U. S. C. § 311a.

Approved, June 15, 1938.

## [CHAPTER 401]

## AN ACT

To authorize the Secretary of War to lend War Department equipment for use at the 1938 National Encampment of Veterans of Foreign Wars of the United States to be held in Columbus, Ohio, from August 21 to August 26, 1938.

June 15, 1938  
[H. R. 10154]

[Public, No. 628]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of War is authorized to lend, at his discretion, to the Veterans of Foreign Wars of the United States for use at their national encampment to be held in Columbus, Ohio, from August 21 to August 26, 1938, such tents, cots, cot mattresses, and blankets, and other available stock out of the Army and National Guard supplies as such department may require to house properly veterans attending such encampment: *Provided*, That no expense shall be caused the United States Government by the delivery and return of such property, the same to be delivered at such time prior to the holding of such encampment as may be agreed upon by the Secretary of War and the Veterans of Foreign Wars of the United States: *Provided further*, That the Secretary of War, before delivering such property, shall take from such organization a good and sufficient bond for the safe return of such property in good order and condition, and the whole without expense to the United States.

Veterans of Foreign Wars.  
Loan of Army equipment for encampment at Columbus, Ohio.

*Provisos.*  
No Federal expense.

Bond.

Approved, June 15, 1938.

## [CHAPTER 402]

## AN ACT

June 15, 1938  
[H. R. 10462]  
[Public, No. 629]

To amend the Act entitled "An Act creating the Mount Rushmore National Memorial Commission and defining its purposes and powers", approved February 25, 1929, as amended.

Mount Rushmore  
Memorial Act of 1933.

Mount Rushmore  
National Memorial  
Commission.  
45 Stat. 1300.

Quorum.

Restriction on com-  
pensation; payment  
of expenses.

*Proviso.*  
Secretary or treas-  
urer, compensation.

Organization, etc.

Treasurer may be a  
bank; bond required.

Executive commit-  
tee.

Completion of Me-  
morial.

No admission  
charge.

Authority of Com-  
mission.  
Designation of area  
within Harney Na-  
tional Forest, S. Dak.

Reservation as part  
of Memorial.

*Proviso.*  
Vested rights under  
mining, etc., laws not  
affected.

Receipt of property  
heretofore possessed  
by Mount Harney  
Memorial Associa-  
tion.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Mount Rushmore Memorial Act of 1938".

SEC. 2. The Act entitled "An Act creating the Mount Rushmore National Memorial Commission and defining its purposes and powers", approved February 25, 1929 (45 Stat. 1300), as amended, is amended as follows: Strike out all of such Act, after the first paragraph of section 1, and insert the following: "Any six members of the Commission shall constitute a quorum. No member of the Commission shall receive compensation for his services, but the actual expenses of any member in connection with the work of the Commission may be paid from any appropriations available for the purpose of carrying out the provisions of this Act: *Provided*, That nothing in this section shall be deemed to prohibit the payment to any member of the Commission who may be elected secretary or treasurer of the Commission of such compensation for the performance of his duties as secretary or treasurer, as may be determined by the Commission.

"SEC. 2. The Commission shall elect its chairman, vice chairman, secretary, and treasurer. The chairman and the vice chairman shall, and the secretary and the treasurer may but need not, be elected from among the members of the Commission. The treasurer may be a bank or trust company. The treasurer shall execute a bond so conditioned and in such amount as shall insure the protection of funds coming into his possession. The Commission may create from its own membership an executive committee of five, which shall exercise such powers and functions within the purview of this Act as may be authorized by the Commission.

"SEC. 3. The Commission shall, in accordance with designs and models prepared by the designer-sculptor, complete the Mount Rushmore National Memorial, including an entablature upon which shall be cut a suitable inscription, construction of a museum and a stairway to the museum hall, reconstruction of the studio for preservation of the models, landscaping of contiguous grounds, and construction of the entrance to the memorial. No charge shall ever be made for admission to the memorial grounds or for viewing the memorial.

"SEC. 4. The Commission is authorized—

"(a) To designate and describe by metes and bounds an area of not more than fifteen hundred acres of the public lands of the United States within the Harney National Forest, State of South Dakota, immediately surrounding the Mount Rushmore National Memorial. Upon such designation such area is hereby reserved for and declared to be a part of the Mount Rushmore National Memorial, and withdrawn from location or entry under the mining or other laws of the United States. The Commission shall prepare a survey of such area and shall furnish a plat thereof to the Secretary of Agriculture, the Secretary of the Interior, and the United States land office at Pierre, South Dakota: *Provided*, That this Act shall not defeat or affect any vested right under the mining or other laws of the United States and which is hereafter maintained in accordance therewith.

"(b) To receive and take over all property, contracts, rights, and moneys heretofore possessed by the Mount Harney Memorial Association, including memoranda, records, sketches, models, and the incompleated figures on Mount Rushmore.

"(c) To administer funds appropriated, or obtained by gifts, the acceptance of which is hereby authorized, for the purpose of completing, developing, and maintaining the memorial, and to pay out the same upon properly receipted vouchers to persons entitled thereto.

Administration of funds.

"(d) To employ, without regard to the civil-service laws and the Classification Act of 1923, as amended, such artists, sculptors, landscape architects, and other employees as it shall determine to be necessary to carry out the purposes of this Act.

Employment of artists, sculptors, etc.

"(e) To administer, protect, and develop the memorial.

Administration, etc., of memorial.  
Other powers.

"(f) To exercise such other powers and functions, including the promulgation of such rules and regulations, as may be necessary and proper to carry out the purposes of this Act.

"SEC. 5. For the purpose of carrying out the provisions of this Act, there is hereby authorized to be appropriated, in addition to any sums authorized to be appropriated prior to the date of approval of this Act, the sum of \$300,000, or so much thereof as may be necessary. Upon requisition of the Commission, the Secretary of the Treasury shall advance to the treasurer of the Commission out of any amounts appropriated for such purpose, such sums as may be needed by the Commission to exercise its functions.

Additional sum authorized.  
Post, p. 1128.

"SEC. 6. The Commission shall, on or before the first day of each regular session of Congress, transmit to Congress a report of its activities and proceedings for the preceding fiscal year, including a full and complete statement of its receipts and expenditures."

Advance to treasurer from funds appropriated.

Report to Congress.

Approved, June 15, 1938.

#### [CHAPTER 403]

##### AN ACT

To authorize the attendance of the Marine Band at the National Encampment of the Grand Army of the Republic to be held at Des Moines, Iowa, September 4 to 8, inclusive, 1938.

June 15, 1938  
[H. R. 10722]  
[Public, No. 630]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the President is authorized to permit the band of the United States Marine Corps to attend and give concerts at the National Encampment of the Grand Army of the Republic to be held at Des Moines, Iowa, from September 4 to 8, inclusive, 1938.

National Encampment of the Grand Army of the Republic, 1938.  
Attendance of Marine Band authorized.

SEC. 2. For the purpose of defraying the expenses of such band in attending and giving concerts at such encampment, there is authorized to be appropriated the sum of \$8,500, or so much thereof as may be necessary to carry out the provisions of this Act: *Provided*, That in addition to transportation and Pullman accommodations the leaders and members of the Marine Band be allowed not to exceed \$5 per day each for additional living expenses while on the duty, and that the payment of such expenses shall be in addition to the pay and allowances to which they would be entitled while serving at their permanent station.

Appropriation authorized.  
Post, p. 1142.

*Proviso.*  
Allowance for additional living expenses.

Approved, June 15, 1938.

#### [CHAPTER 404]

##### JOINT RESOLUTION

To provide for the transfer of the Cape Henry Memorial site in Fort Story, Virginia, to the Department of the Interior.

June 15, 1938  
[S. J. Res. 243]  
[Pub. Res., No. 110]

Whereas the Colonial National Historical Park (formerly the Colonial National Monument) established under the Act of Congress approved July 3, 1930, includes Jamestown, Yorktown, and Williamsburg; and

Cape Henry Memorial, Fort Story, Va. Preamble.  
46 Stat. 855.  
16 U. S. C. § 443; Supp. 111, § 443.

Whereas the Jamestown colonists who established the first permanent English settlement in America first landed and set up a cross on April 26, 1607, at the First Landing Dune in Fort Story, Cape Henry, Virginia, which is now a shrine marked by a cross memorial: Therefore be it

Transfer of proposed site to Secretary of the Interior.

Jurisdiction, etc.

39 Stat. 535.  
16 U. S. C. ch. 1.

Proviso.  
Use of transferred property.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of War is authorized in his discretion, subject to such terms and conditions as he may deem essential for the protection of military interests, to transfer to the Secretary of the Interior such part of the Fort Story Military Reservation, Cape Henry, Virginia, as the Secretary of War may select, but not to exceed an area of one hundred feet square, as a proposed site for the Cape Henry Memorial (First Landing Dune), including the site on which the Daughters of the American Colonies have heretofore erected a monument under authority of the War Department. The Secretary of the Interior, through the National Park Service, shall exercise jurisdiction over and maintain such site and memorial as a part of the Colonial National Historical Park, under the provisions of the Act establishing the National Park Service, approved August 25, 1916, as amended and supplemented: *Provided*, That the use of any property transferred under the provisions of this Act shall be subject to the paramount needs of national defense.

Approved, June 15, 1938.

#### [CHAPTER 405]

#### JOINT RESOLUTION

June 15, 1938  
[S. J. Res. 264]  
[Pub. Res., No. 111]

Providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

Smithsonian Institution.  
Harvey N. Davis  
appointed Regent.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, caused by the death of Robert W. Bingham, be filled by the appointment of Harvey N. Davis, a citizen of New Jersey, for the statutory term of six years.

Approved, June 15, 1938.

#### [CHAPTER 435]

#### AN ACT

June 15, 1938  
[S. 3166]  
[Public, No. 631]

To amend section 2139 of the Revised Statutes, as amended.

Indian liquor laws.  
R. S. § 2139; 27 Stat.  
260; 29 Stat. 506.  
25 U. S. C. § 241.

Intoxicating liquor.  
Sale, etc., to Indians  
prohibited.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 2139 of the Revised Statutes, as amended by the Act of July 23, 1892, entitled "An Act to amend sections twenty-one hundred and thirty-nine, twenty-one hundred and forty, and twenty-one hundred and forty-one of the Revised Statutes touching the sale of intoxicants in the Indian country, and for other purposes", and as amended by the Act of January 30, 1897, entitled "An Act to prohibit the sale of intoxicating drinks to Indians, providing penalties therefor, and for other purposes", is amended to read as follows:

"SEC. 2139. Any person who shall sell, give away, dispose of, exchange, or barter any malt, spirituous, or vinous liquor, including beer, ale, and wine, or any ardent or other intoxicating liquor of any kind whatsoever, or any essence, extract, bitters, preparation, compound, composition, or any article whatsoever, under any name, label, or brand, which produces intoxication to any Indian to whom an allotment of land has been made while the title to the same shall be held in trust by the Government, or to any Indian who is a ward

of the Government under charge of any Indian superintendent or agent, or to any Indian, including mixed bloods, over whom the Government, through its departments, exercises guardianship, and any person who shall introduce or attempt to introduce any malt, spirituous, or vinous liquor, including beer, ale, and wine, or any ardent or intoxicating liquor of any kind whatsoever into the Indian country, which term shall include any Indian allotment while the title to the same shall be held in trust by the Government, or while the same shall remain inalienable by the allottee without the consent of the United States, shall be punished for the first offense by imprisonment for not more than one year, and by a fine of not more than \$500, and for the second offense and each offense thereafter by imprisonment for not more than five years, and by a fine of not more than \$2,000: *Provided, however*, That the person convicted shall be committed until fine and costs are paid: *And provided further*, That first offenses under this section may be prosecuted by information, but no person convicted of a first offense under this section shall be sentenced to imprisonment in a penitentiary or required to perform hard labor. It shall be a sufficient defense to any charge of introducing or attempting to introduce ardent spirits, ale, beer, wine, or intoxicating liquors into the Indian country that the acts charged were done under authority, in writing, from the War Department or any officer duly authorized thereunto by the War Department. All complaints for the arrest of any person or persons made for violation of any of the provisions of this section shall be made in the county where the offense shall have been committed, or if committed upon or within any reservation not included in any county, then in any county adjoining such reservation; but in all cases such arrests shall be made before any United States court commissioner residing in such adjoining county, or before any magistrate or judicial officer authorized by the laws of the State in which such reservation is located to issue warrants for the arrest and examination of offenders by section 1014 of the Revised Statutes as amended. And all persons so arrested shall, unless discharged upon examination, be held to answer and stand trial before the court of the United States having jurisdiction of the offense."

SEC. 2. Section 2139 of the Revised Statutes, as amended by this Act, shall be deemed to apply to offenses committed subsequent to the date of enactment of this Act, and any reference in any other Act of Congress to the Act of January 30, 1897, insofar as it relates to offenses committed subsequent to the date of enactment of this Act, shall be deemed to be a reference to section 2139 of the Revised Statutes as amended by this Act.

SEC. 3. The Act entitled "An Act to prohibit the sale of intoxicating drinks to Indians, providing penalties therefor, and for other purposes", approved January 30, 1897, is hereby repealed.

Approved, June 15, 1938.

#### [CHAPTER 436]

#### AN ACT

To divide the funds of the Chippewa Indians of Minnesota between the Red Lake Band and the remainder of the Chippewa Indians of Minnesota, organized as the Minnesota Chippewa Tribe.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of the Interior is authorized and directed to determine, as of the close of the fiscal year next succeeding<sup>1</sup> the date of the passage of

Introduction, etc., into Indian country.

Penalty for violation.

*Provisos.*  
Commitment until fine, etc., paid.  
Prosecution of first offenses by information.

Authorized introduction of liquors.

Complaints; venue, etc.

Arrests.  
Procedure.

R. S. § 1014.  
18 U. S. C. § 591.

Citations hereunder deemed to apply to offenses subsequent to date of enactment.  
R. S. § 2139.  
29 Stat. 506.  
25 U. S. C. § 241.

Existing Act repealed.  
29 Stat. 506.

June 15, 1938  
[H. R. 4544]  
[Public, No. 632]

Chippewa Indians of Minnesota.  
Determination of total sum in Treasury to credit of, directed.

<sup>1</sup> So in original.



25 Stat. 642.

Deduction and retention of sum for authorized expenses.

44 Stat. 555; 45 Stat. 423.

Determination of interest of Red Lake Band.

Use of last annuity, etc., rolls in making computation.

Red Lake Chippewa fund to be held as a separate fund.

Remainder of total as property of all other Chippewa Indians of Minnesota.

Division of unexpended balance and future funds.

this Act, the total sum of money in the Treasury of the United States to the credit of the Chippewa Indians of Minnesota derived from the provisions of the Act of Congress of January 14, 1889, entitled "An Act for the relief and civilization of the Chippewa Indians in the State of Minnesota" (25 Stat. L. 642), from which total amount so determined, said Secretary shall deduct and retain in the existing fund now standing to the credit of "all the Chippewa Indians in the State of Minnesota" the sum of \$10,000, and so much thereof as may be necessary, may be expended as authorized in the Act of May 14, 1926 (44 Stat. L. 555), and the amendatory Act of April 11, 1928 (45 Stat. L. 423), and for no other purpose.

SEC. 2. Upon so determining the amount of money to the credit of said Indians, the Secretary of the Interior is hereby directed to determine what part of said amount represents the interest of the Red Lake Chippewa Indians of Minnesota on the basis of the proportion which the number of Indians on the official annuity or per-capita payment roll of the Red Lake Band bears to the number of Indians on the official annuity or per-capita payment rolls of all the other Chippewa Indians of Minnesota. The last annuity rolls or the latest per-capita payment rolls, whichever are the later, approved prior to the passage of this Act shall be used in making this computation.

SEC. 3. The portion of the total funds of the Chippewa Indians of Minnesota so determined to represent the interest of the Red Lake Chippewa Indians of Minnesota shall be segregated from the said total funds in the Treasury of the United States as the exclusive property of the Red Lake Chippewa Indians of Minnesota and shall be held as a separate and distinct fund which shall be called the Red Lake Chippewa fund and shall be kept intact in the Treasury pursuant to the terms of the said Act of January 14, 1889, and shall be administered by the Secretary of the Interior as the separate property of the Red Lake Chippewa Indians of Minnesota. The remainder of said total funds shall be held in the Treasury as the property of all the other Chippewa Indians of Minnesota. Such fund shall be kept intact in the Treasury pursuant to the terms of said Act of January 14, 1889, and shall be administered by the Secretary of the Interior as the separate property of all other Chippewa Indians of Minnesota.

SEC. 4. Any unexpended balance remaining of the \$10,000 set aside by the first section of this Act and all future funds derived from the provisions of said Act of January 14, 1889, or from any use of funds accrued under said Act as may have been directed by Congress, shall be divided in the same proportion as the division authorized herein between the said Red Lake Chippewa Indians of Minnesota as of one part and all other Chippewa Indians of Minnesota as of the other part, and the portions thereof belonging to each group shall immediately be placed in the Treasury of the United States in the funds named in section 3 of this Act, and shall be likewise administered.

Approved, June 15, 1938.

## [CHAPTER 437]

## AN ACT

To amend an Act entitled "An Act extending the homestead laws and providing for right of way for railroads in the District of Alaska, and for other purposes", approved May 14, 1898 (30 Stat. 409, 414).

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 11 of an Act entitled "An Act extending the homestead laws and providing for right of way for railroads in the District of Alaska, and for other purposes", be, and the same is hereby, amended by adding thereto the following: "and may permit such use by churches, hospitals, and charitable institutions in Alaska for firewood, fencing, buildings, and for domestic purposes".

Approved, June 15, 1938.

June 15, 1938  
[H. R. 5592]  
[Public, No. 633]

Alaska, homestead laws.  
Use of timber on public lands by churches, etc., for firewood and domestic purposes.  
30 Stat. 414.  
48 U. S. C. §§ 421, 423.

## [CHAPTER 438]

## AN ACT

To facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the San Bernardino and Cleveland National Forests in Riverside County, California.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of Agriculture, with the approval of the National Forest Reservation Commission established by section 4 of the Act of March 1, 1911 (U. S. C., title 16, sec. 513), is hereby authorized to acquire by purchase any lands within the boundaries of the San Bernardino and Cleveland National Forests, in the county of Riverside, State of California, which, in his judgment, should become the property of the United States in order that they may be so managed with other lands of the United States as to minimize soil erosion and flood damage, and to pay for said lands from those proportions of the entire receipts from the sale of natural resources other than mineral or occupancy of public land within the San Bernardino and Cleveland National Forests which are equal to the proportion of the net areas of said forests which are within the county of Riverside, State of California, which receipts are hereby authorized to be appropriated for that purpose until said lands have been acquired: *Provided*, That so long as said receipts are used in the manner herein authorized, the provisions of the Act approved May 23, 1908 (U. S. C., title 16, sec. 500), shall not be applicable to said county of Riverside.

Approved, June 15, 1938.

June 15, 1938  
[H. R. 7933]  
[Public, No. 634]

San Bernardino and Cleveland National Forests, Calif.  
36 Stat. 962.  
16 U. S. C. § 513.  
Acquisition of lands in, to facilitate soil erosion and flood damage control.

Payment; funds available.

*Proviso.*  
Waiver of certain provisions.  
35 Stat. 260.  
16 U. S. C. § 500.

## [CHAPTER 439]

## AN ACT

To amend certain provisions of law relative to the production of wines, brandy, and fruit spirits so as to remove therefrom certain unnecessary restrictions; to facilitate the collection of internal-revenue taxes thereupon; and to provide abatement of certain taxes upon wines, brandy, and fruit spirits where lost or evaporated while in the custody and under the control of the Government without any fault of the owner.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 618 (a) of the Revenue Act of 1918 (U. S. C., 1934 edition, title 26, sec. 1303) is amended to read as follows:

"Sec. 618. (a) That under such regulations and upon the execution of such notices, entries, bonds, and other security as the Commissioner, with the approval of the Secretary, may prescribe, domestic wines

June 15, 1938  
[H. R. 10459]  
[Public, No. 635]

Wines, brandy, and fruit spirits.  
40 Stat. 1113.  
26 U. S. C. § 1303.

Removal of designated wines for storage, export, etc., free of tax.

*Provisos.*  
Use as distilling  
material, tax.  
R. S. § 3309.  
26 U. S. C. § 1197.

Withdrawal of sam-  
ples, tax provisions.

Remission of forti-  
fication taxes on quan-  
tity of fortifying spir-  
its in exported wines,  
etc.

49 Stat. 1962.  
26 U. S. C., Supp.  
III, § 1320a.

Collection of certain  
distillates removed in  
distillation.

Removal for dena-  
turation or destruc-  
tion, tax free.

Distillates collected  
in fruit brandy distil-  
leries.

Leakage, etc., allow-  
ance.

*Proviso.*  
Limitation.

40 Stat. 1106; 49  
Stat. 1946.  
27 U. S. C., Supp.  
III, § 74b.

subject to the taxes imposed by sections 611 or 613 as amended, may be removed from the winery where produced, free of tax, for storage on other bonded winery or bonded storeroom premises, or from such premises to other such bonded premises, or for exportation from the United States or for use as distilling material at any regularly registered distillery or industrial alcohol plant: *Provided, however,* That the distiller using any such wine as distilling material shall, subject to the provisions of section 3309 of the Revised Statutes, as amended, be held to pay the tax on the product of such wines as will include both the alcoholic strength therein produced by fermentation and that obtained from the brandy or wine spirits added to such wines at the time of fortification: *Provided further,* That suitable samples of brandy or fruit spirits may be withdrawn under rules and regulations to be prescribed by the Commissioner of Internal Revenue, subject to the approval of the Secretary of the Treasury, which samples shall be tax-free if for laboratory analysis and tax-paid if for any other use: *Provided further,* That the Commissioner of Internal Revenue, under rules and regulations to be by him prescribed subject to the approval of the Secretary of the Treasury, shall remit or refund all fortification taxes assessed or paid upon the quantity of fortifying spirits contained in wines exported, or which have become unfit for use as wine and are used as distilling material."

SEC. 2. Section 410 of the Liquor Tax Administration Act (U. S. C., 1934 edition, Supp. III, title 26, sec. 1320a) is amended to read as follows:

"SEC. 410. Under rules and regulations to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, distillers may collect, in locked tanks, distillates containing one-half of 1 per centum or more of aldehydes or 1 per centum or more of fusel oil (heads and tails) removed in the course of distillation. The distillates so collected may, under regulations prescribed by the Commissioner, with the approval of the Secretary, be removed from such distillery for denaturation or be destroyed in the manner prescribed by the Commissioner, under the supervision of an internal-revenue officer to be designated by the Commissioner, and when so denatured or destroyed shall not be subject to the tax imposed by law upon distilled spirits. Such distillates so collected in fruit brandy distilleries may, under regulations to be prescribed by the Commissioner, with the approval of the Secretary, be drawn into approved casks, barrels, or other containers and stored in the brandy deposit room of the fruit brandy distillery where produced pending removal for denaturation or destruction."

SEC. 3. The Commissioner of Internal Revenue, under rules and regulations to be by him prescribed with the approval of the Secretary of the Treasury, upon the presentation of proof to his satisfaction of the loss by leakage, evaporation, theft, or otherwise of brandy or fruit spirits, intended for the fortification of wine, from storage tanks in bonded warehouses or from steel drums filled therefrom while such drums are in such warehouse, and in the fortification room of a bonded winery, not occurring as the result of any negligence, connivance, collusion, or fraud on the part of the winemaker or his agents, is hereby authorized to remit or refund the taxes assessed or paid upon such lost brandy or fruit spirits: *Provided, however,* That such remission or refund shall be allowed only to the extent that the distiller or winemaker is not indemnified or recompensed for such loss.

SEC. 4. The first paragraph of section 602 of the Revenue Act of 1918, as amended (U. S. C., 1934 edition, Supp. III, title 27, sec. 74b), is amended by inserting in lieu of the period at the end thereof

a colon and the following: "*Provided*, That under the provisions of this section insofar as applicable, the Commissioner of Internal Revenue may, under rules and regulations to be by him prescribed, subject to the approval of the Secretary of the Treasury, permit the transfer of fortifying spirits containing more than one hundred and fifty-nine degrees proof up to and including one hundred and ninety-two degrees proof by pipe line from registered fruit distilleries and receiving cisterns in such distilleries to storage tanks in the internal-revenue bonded warehouse located on the distillery premises to be warehoused in such storage tanks and transferred by pipe line to the fortification rooms of contiguous wineries when required."

SEC. 5. Subdivision (g) of paragraph "Fifth" of section 3244 of the Revised Statutes, as amended (U. S. C., 1934 edition, Supp. III, title 26, sec. 1394 (e) (3)), is amended to read as follows:

"(g) Notwithstanding the foregoing provisions of this section, each person making sales of fermented malt liquor or wine to the members, guests, or patrons of bona fide fairs, reunions, picnics, carnivals, or other similar outings, and each fraternal, civic, church, labor, charitable, benevolent, or ex-service men's organization making sales of fermented malt liquor or wine on the occasion of any kind of entertainment, dance, picnic, bazaar, or festival held by it, if such person or organization is not otherwise engaged in business as a wholesale or retail liquor dealer or as a wholesale or retail malt liquor dealer, shall pay, before any such sales are made and in lieu of the special taxes imposed by subdivision (a) of this paragraph and subdivision (a) of paragraph 'Fourth' of this section (U. S. C., 1934 edition, Supp. III, title 26, sec. 1934 (b) (1)) a special tax of \$2 as a retail dealer in malt liquors, if fermented malt liquor only is sold, or a special tax of \$2 as a retail dealer in liquors if wine only, or wine and fermented malt liquor only, are sold for each calendar month in which any such sales are made."

SEC. 6. The fourth paragraph of section 605 of the Revenue Act of 1918, approved February 24, 1919 (U. S. C., 1934 edition, title 26, sec. 1151 (b)), is amended to read as follows:

"The taxes imposed by the first paragraph of this section shall not attach to cordials or liqueurs on which a tax is imposed and paid under sections 611 or 613 of this Act, as amended, nor to the mixing and blending of wines, where such blending is for the sole purpose of perfecting such wines according to commercial standards, nor to blends made exclusively of two or more pure straight whiskies aged in wood for a period not less than four years and without the addition of coloring or flavoring matter or any other substance than pure water and if not reduced below ninety proof; nor to blends made exclusively of two or more pure fruit brandies distilled from the same kind of fruit, aged in wood for a period not less than two years and without the addition of coloring or flavoring matter or any other substance than pure water and if not reduced below ninety proof: *Provided*, That such blended whiskies and blended fruit brandies shall be exempt from tax under the first paragraph of this section only when compounded under the immediate supervision of a revenue officer, in such tanks and under such conditions and supervision as the Commissioner, with the approval of the Secretary, may prescribe."

SEC. 7. The second paragraph added to section 605 of the Revenue Act of 1918, as amended, by section 319 (b) of the Liquor Tax Administration Act (U. S. C., 1934 edition, Supp. III, title 26, sec. 1151 (f)) is amended to read as follows:

"The manufacture of vermouth with fortified sweet wine on bonded winery premises shall not be deemed to be rectification with the meaning of paragraph 'Third' of section 3244 of the Revised Statutes, if distilled spirits other than necessary in the production of approved

Transfer of fortifying spirits from registered fruit distilleries to storage tanks by pipe line.

R. S. § 3244.  
49 Stat. 1954.  
26 U. S. C., Supp. III, § 1394 (e) (3).

Special rates on sales at fairs, etc., if organizations, etc., not otherwise engaged in liquor business.

49 Stat. 1953.  
26 U. S. C., Supp. III, § 1394 (b) (1).

40 Stat. 1108.  
26 U. S. C. § 1151 (b).

Tax-paid cordials, liqueurs, etc., exempt from additional beverage tax.

Blending, etc., of wines and whiskies.

Blends of fruit brandies distilled from same kind of fruit.

*Proviso.*  
Condition.

49 Stat. 1951.  
26 U. S. C., Supp. III, § 1151 (f).

Vermouth manufactured with fortified sweet wine on bonded premises.

Operations restricted.

49 Stat. 1957.  
26 U. S. C., Supp.  
III, § 1310 (d).  
Provisions applicable to natural wine extended.

49 Stat. 1957.  
26 U. S. C., Supp.  
III, §§ 1301 (a), (b),  
(c), (d).

Fortification of wines, tax on brandies, etc., withdrawn for.

49 Stat. 1952.  
26 U. S. C., Supp.  
III, § 1300 (a) (2).  
Sparkling wines, etc., on bonded premises, tax when sold or removed.

49 Stat. 1958.  
26 U. S. C., Supp.  
III, § 1301 (e).

Fortification of wines: limitation on use of certain brandies.

49 Stat. 1959.  
26 U. S. C., Supp.  
III, § 1176.  
Brandy distillers; certain exemptions extended.

49 Stat. 1959.  
26 U. S. C., Supp.  
III, § 1304.  
Use of wines as distilling material.

essences, used in the manufacture of vermouth, whether or not such essences are produced on the bonded winery premises, are not added to the fortified sweet wine used in the manufacture thereof or to such vermouth during or after its manufacture. Such vermouth may be manufactured on bonded winery premises, but only in a separate department thereof having no interior communication with any other department or part of such premises, under such supervision and in accordance with such regulations as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe."

SEC. 8. (a) The last paragraph of section 610 of the Revenue Act of 1918, as amended (U. S. C., 1934 edition, Supp. III, title 26, sec. 1310 (d)), is amended by inserting after the words "apricot wines" a comma and the following: "prune wines, plum wines, pear wines"; and by striking out "or (6)" and inserting in lieu thereof the following: "(6) prunes, (7) plums, (8) pears, (9)".

(b) Section 612 of the Revenue Act of 1918, as amended (U. S. C., 1934 edition, Supp. III, title 26, sec. 1301 (a), (b), (c), and (d)), is amended by inserting after the words "apricot wines", wherever they appear, a comma and the following: "prune wines, plum wines, pear wines"; and by inserting after the words "apricot brandy", wherever they appear, a comma and the following: "prune brandy, plum brandy, pear brandy".

(c) Section 613 of the Revenue Act of 1918, as amended (U. S. C., 1934 edition, Supp. III, title 26, sec. 1300 (a) (2)), is amended by inserting after the words "apricot wine", wherever they appear, a comma and the following: "prune wine, plum wine, pear wine"; and by inserting after the words "apricot brandy", wherever they appear, a comma and the following: "prune brandy, plum brandy, pear brandy".

(d) The last paragraph of section 42 of the Act entitled "An Act to reduce the revenue and equalize duties on imports, and for other purposes", approved October 1, 1890, as amended (U. S. C., 1934 edition, Supp. III, title 26, sec. 1301 (e)), is amended by inserting after the words "apricot brandy", where they first appear in such paragraph, a comma and the following: "prune brandy, plum brandy, pear brandy"; by inserting after the words "apricot wines" a comma and the following: "prune wines, plum wines, pear wines"; and by striking out "and (5)" and inserting in lieu thereof the following: "(5) no brandy other than prune brandy may be used in the fortification of prune wine and prune brandy may not be used for the fortification of any wine other than prune wine, (6) no brandy other than pear brandy may be used in the fortification of pear wine and pear brandy may not be used for the fortification of any wine other than pear wine, and (7) no brandy other than plum brandy may be used in the fortification of plum wine and plum brandy may not be used for the fortification of any wine other than plum wine and (8)".

(e) The first proviso of section 3255 of the Revised Statutes, as amended (U. S. C., 1934 edition, Supp. III, title 26, sec. 1176), is amended by inserting after the words "apricot wine", wherever they appear, a comma and the following: "prune wine, plum wine, pear wine"; and by inserting after the words "apricot brandy" a comma and the following: "prune brandy, plum brandy, pear brandy".

(f) Section 618 (b) of the Revenue Act of 1918, as amended (U. S. C., 1934 edition, Supp. III, sec. 1304), is amended by inserting after the words "apricot wines" a comma and the following: "prune wines, plum wines, pear wines".

Approved, June 15, 1938.

## [CHAPTER 440]

## AN ACT

To provide for allowing to the Gem Irrigation District and Ontario-Nyssa Irrigation District of the Owyhee project terms and payment dates for charges deferred under the Reclamation Moratorium Acts similar to those applicable to the deferred construction charges of other projects under said Acts, and for other purposes.

June 15, 1938  
[H. R. 10488]  
[Public, No. 636]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the charges of the Gem Irrigation District and of the Ontario-Nyssa Irrigation District, that were postponed under the Moratorium Acts of April 1, 1932 (47 Stat. 75), March 3, 1933 (47 Stat. 1427), March 27, 1934 (48 Stat. 500), and June 13, 1935 (49 Stat. 337), shall be payable at the end of the districts' construction charge payment period, subject to the same terms and conditions as applicable to the construction charges postponed under the said Moratorium Acts.

Approved, June 15, 1938.

Owyhee irrigation project.  
Payment of charges of designated districts postponed under Reclamation Moratorium Acts.  
47 Stat. 75, 1427; 48 Stat. 500; 49 Stat. 337.

## [CHAPTER 453]

## AN ACT

For the relief of the holders of the unpaid notes and warrants of the Verde River Irrigation and Power District, Arizona

June 15, 1938  
[S. 3002]  
[Public, No. 637]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Federal Emergency Administrator of Public Works is hereby authorized to pay, in full settlement of all such claims against the United States, out of any unexpended fund under his control, not to exceed \$46,024.41 in making settlements with the holders of the unpaid notes and warrants of the Verde River Irrigation and Power District issued in payment for property, services, or supplies furnished, in furtherance of the Verde reclamation project, Arizona, to the district during the period from November 2, 1933, when an allotment of \$4,000,000 for the construction of the Verde project was authorized by the said Administrator, to October 3, 1934, when said allotment was canceled: *Provided*, That any expenditures of the district not incurred as a result of the proposed construction of said Verde reclamation project with funds of the Federal Emergency Administration of Public Works shall not be approved for payment under this Act: *Provided further*, That in making said settlements with the holders of said notes and warrants, the Administrator shall consider the reasonable value of the services performed or materials furnished, for which said notes or warrants were given, and where said notes or warrants have been transferred by the original holders, the Administrator shall also consider the price or prices paid by the transferees.

Approved, June 15, 1938.

Verde River Irrigation and Power District, Ariz.  
Settlement of claims of holders of unpaid notes and warrants of, authorized.

*Provisos.*  
Certain expenditures not included.

Facts to be considered.

## [CHAPTER 454]

## AN ACT

To relinquish the title or interest of the United States in certain lands in Houston (formerly Dale) County, Alabama, in favor of Jesse G. Whitfield or other lawful owners thereof.

June 15, 1938  
[H. R. 5166]  
[Public, No. 638]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That all right, title, and interest which may have been acquired by the United States under a marshal's deed dated February 12, 1894, recorded in the office of the judge of probate court, Dale County, Alabama, February 17, 1894,

Houston County, Ala.  
Release of title and interest in certain lands in.

<p>Description.</p> <p>Relinquishment of rights, etc., of United States only.</p>	<p>Book G of Deeds, pages 328, 329, in and to certain lands situated in Houston (formerly Dale) County, Alabama, and described as follows: The northwest quarter of the southwest quarter and the southeast quarter of the northwest quarter of section 18, township 3, range 26, east of the Saint Stephen's meridian, be, and the same are hereby, released and relinquished by the United States.</p> <p>SEC. 2. Nothing in this Act shall in any manner abridge, divest, impair, injure, or prejudice any valid right, title, or interest of any person or persons in or to any portion or part of the lands described in section 1 of this Act, the true intent of this Act being to relinquish and abandon, grant, give, and concede any and all right, interest, and estate, in law or equity, which the United States is or is supposed to be entitled to by virtue of said marshal's deed, in said lands, in favor of all persons, estates, firms, or corporations who would be the true and lawful owners of same under the laws of the State of Alabama, including the law of prescription, in the absence of the interest and estate of the United States therein.</p> <p>Approved, June 15, 1938.</p>
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## [CHAPTER 455]

## JOINT RESOLUTION

June 16, 1938  
[S. J. Res. 298]  
[Pub. Res., No. 112]

To create a joint congressional committee to investigate the adequacy and use of the phosphate resources of the United States.

Joint congressional committee on phosphate resources of the United States.  
Establishment and composition of.

Vacancies.

Chairman.

Study of resources with reference to use and service to American agriculture.

Domestic consumption and exports.  
Adequacy of supply.

Western phosphate deposits.  
Conservation methods.

Report and recommendations.

Powers conferred.  
Hearings.

Subpoenas.

Failure of witness to testify.  
R. S. §§ 102-104.  
2 U. S. C. §§ 192-194.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That there is hereby established a joint congressional committee (hereinafter referred to as the "committee") to be composed of three Senators, to be appointed by the President of the Senate, and three Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives. A vacancy in the committee shall not affect the power of the remaining members to execute the functions of the committee and shall be filled in the same manner as the original appointment. The committee shall select a chairman from among its members.

SEC. 2. It shall be the duty of the committee to make a thorough study and investigation of the phosphate resources of the United States with particular reference to (1) the use and service of phosphate to American agriculture, (2) the domestic consumption and exports of phosphate, (3) the adequacy of the supply of phosphate in the United States, (4) the development of phosphate deposits in the Western States, and (5) methods of conserving the phosphate resources of the United States, to the end that there may be insured a continuous supply of phosphate to meet the present and future needs of agriculture in rebuilding soil fertility. The committee shall report to the Senate and the House of Representatives, on or before February 15, 1939, the results of its study and investigation, together with such recommendations as it deems advisable.

SEC. 3. The committee, or any subcommittee thereof, shall have power to hold hearings and to sit and act at such places and times; to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents; to administer such oaths; to take such testimony; to have such printing and binding done; and to make such expenditures as it deems advisable. Subpoenas shall be issued under the signature of the chairman of the committee and shall be served by any person designated by him. The provisions of sections 102 to 104, inclusive, of the Revised Statutes shall apply in case of any failure of any witness to comply with any subpoena, or to testify when summoned, under authority of

this joint resolution. The expenses of the committee, which shall not exceed \$10,000, shall be paid one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives upon vouchers approved by the chairman of the committee.

SEC. 4. The committee shall have power to employ and fix the compensation of such officers, experts, and employees as it deems necessary in the performance of its duties, but the compensation so fixed shall not exceed the compensation fixed under the Classification Act of 1923, as amended, for comparable duties. The committee is authorized to utilize the services, information, facilities, and personnel of the departments and agencies of the executive branch of the Government.

Approved, June 16, 1938.

[CHAPTER 456]

JOINT RESOLUTION

To create a temporary national economic committee.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That there is hereby established a temporary national economic committee (hereinafter referred to as the "committee"), to be composed of (1) three Members of the Senate, to be appointed by the President of the Senate; (2) three Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives; and (3) one representative from each of the following departments and agencies, to be designated by the respective heads thereof: Department of Justice, Department of the Treasury, Department of Labor, Department of Commerce, the Securities and Exchange Commission, and the Federal Trade Commission. Such representative may designate an alternate to sit and act for him on the committee in his absence. Any such alternate, while so acting, shall have the same rights, powers, and duties as are conferred and imposed upon a member of the committee by this joint resolution. Any member appointed under clauses (1) and (2) may, when unable to attend a meeting of the committee, authorize another such member to act and vote for him in his absence. A vacancy in the committee shall not affect the power of the remaining members to execute the functions of the committee and shall be filled in the same manner as the original selection.

SEC. 2. It shall be the duty of the committee—

(a) To make a full and complete study and investigation with respect to the matters referred to in the President's message of April 29, 1938, on monopoly and the concentration of economic power in and financial control over production and distribution of goods and services and to hear and receive evidence thereon, with a view to determining, but without limitation, (1) the causes of such concentration and control and their effect upon competition; (2) the effect of the existing price system and the price policies of industry upon the general level of trade, upon employment, upon long-term profits, and upon consumption; and (3) the effect of existing tax, patent, and other Government policies upon competition, price levels, unemployment, profits, and consumption; and shall investigate the subject of governmental adjustment of the purchasing power of the dollar so as to attain 1926 commodity price levels; and

(b) To make recommendation to Congress with respect to legislation upon the foregoing subjects, including the improvement of anti-trust policy and procedure and the establishment of national standards for corporations engaged in commerce among the States and with foreign nations.

Limitation on expense; division of.

Personal services.

5 U. S. C. §§ 661-674; Supp. III, §§ 673, 673c.

Utilization of facilities, etc., of Government agencies.

June 16, 1938  
[S. J. Res. 300]  
[Pub. Res., No. 113]

Temporary national economic committee. Establishment and composition.

Alternates.

Proxies.

Vacancies.

Duties.

Study of monopoly and concentration of economic power, etc.

Causes and effect of concentration, etc.

Existing price system.

Effect of Government policies upon competition, etc.

Adjustment of purchasing power of the dollar.

Recommendations for appropriate legislation.



Subcommittees.  
Allowances to members.

Presentation of evidence by certain executive agencies.

Subject matter.

Issuance of subpoenas.

Personal services.

Preliminary reports, findings, and recommendations.

Final reports, etc.

Quorum.

Termination of authority.

Powers and rights conferred.

49 Stat. 831.  
15 U. S. C., Supp.  
III, § 79c.

Appropriation authorized.  
*Post*, p. 1118.

Amount immediately available.

Amount for division among departments and agencies.

SEC. 3. (a) The committee shall have power to appoint subcommittees to assist the committee in its work. The members of the committee shall serve without additional compensation but shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the exercise of the functions vested in the committee.

(b) The Department of Justice, Department of the Treasury, Department of Labor, Department of Commerce, the Securities and Exchange Commission, and the Federal Trade Commission are directed to appear before the committee or its designee and present evidence by examination of witnesses or the introduction of documents and reports. The evidence presented by each of these agencies shall cover the subject matter of this inquiry which is within its administrative jurisdiction under existing law or which may be assigned to such agencies by the committee. Each such agency is authorized to request the committee to issue such subpoenas as such agency may require for the attendance of witnesses and the production of documents and reports.

(c) The committee shall have power to employ and fix the compensation of such officers, experts, and employees as it deems necessary for the performance of its duties. The committee is authorized to utilize the services, information, facilities, and personnel of the departments and agencies of the Government.

SEC. 4. (a) Prior to the opening of the first session of the Seventy-sixth Congress or as soon thereafter as is practicable the committee shall transmit to the President and to the Congress preliminary reports of the studies and investigations carried on by it, and by the departments and agencies represented thereon, together with the findings and recommendations of the committee, and shall submit to the President and to the Congress as soon as practicable thereafter, during or prior to the termination of the Seventy-sixth Congress, further and final reports of the studies and investigations carried out pursuant to this resolution, together with the findings and recommendations of the committee.

(b) A majority of the committee shall constitute a quorum, and the powers conferred upon them by this joint resolution may be exercised by a majority vote.

(c) All authority conferred by this joint resolution shall terminate upon the expiration of the Seventy-sixth Congress.

SEC. 5. For the purpose of this joint resolution the committee, or any sub-committee designated by it, shall be entitled to exercise the same powers and rights as are conferred upon the Securities and Exchange Commission by subsection (c) of section 18 of the Act of August 26, 1935 (49 Stat. 831); and the provisions of subsections (d) and (e) of such section shall be applicable to all persons summoned by subpoena or otherwise to attend and testify or to produce books, papers, correspondence, memoranda, contracts, agreements, or other records and documents before the committee.

SEC. 6. (a) There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$500,000, or so much thereof as may be necessary, to carry out the provisions of this joint resolution.

(b) Of the funds authorized to be appropriated under subsection (a), not to exceed \$100,000 shall be immediately available for expenditure by the committee in carrying out its functions and not to exceed \$400,000 shall be available, as the President shall direct, among the departments and agencies represented on the committee to enable them to carry out their functions under this joint resolution.

Approved, June 16, 1938.

## [CHAPTER 457]

## JOINT RESOLUTION

To provide for a floor stock tax on distilled spirits, except brandy.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That there shall be levied, assessed, collected, and paid a floor tax of 25 cents on each proof-gallon and a proportionate tax at a like rate on all fractional parts of such proof-gallon upon all distilled spirits, except brandy, produced in or imported into the United States upon which the internal-revenue tax imposed by law has been paid and which, on July 1, 1938, are held by a retail dealer in liquors in a quantity in excess of two hundred and fifty wine-gallons in the aggregate or by any other person, corporation, partnership, or association in any quantity and which are intended for sale for beverage purposes or for use in the manufacture or production of any article intended for sale for beverage purposes.

Each retail dealer in liquors and each person required hereunder to pay the floor tax shall within thirty days after July 1, 1938, make return under oath in such form and under such regulations as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe. Payment of the tax shown to be due may be extended to a date not exceeding seven months after July 1, 1938, upon the filing of a bond for payment in such form and amount and with such surety or sureties as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, may prescribe.

All provisions of law, including penalties, applicable in respect of internal-revenue taxes on distilled spirits shall, insofar as applicable and not inconsistent with this section, be applicable in respect of the floor tax imposed hereunder.

Approved, June 16, 1938.

June 16, 1938  
[H. J. Res. 683]  
[Pub. Res., No. 114]

Floor tax on distilled spirits.

Brandy excepted.

Return.

Extension of time of payment.

Applicability of other provisions of law.

## [CHAPTER 458]

## AN ACT

To provide for placing educational orders to familiarize private manufacturing establishments with the production of munitions of war of special or technical design, noncommercial in character.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of War is hereby authorized to place educational orders for munitions of war of special or technical design, or both, noncommercial in character (hereinafter called "special munitions"), and essential accessories and parts thereof needed in the military service, with commercial concerns to familiarize commercial and manufacturing establishments with the manufacture of such munitions and such accessories and parts. In arranging for placing such educational orders, bids shall be solicited only from such establishments as, in the Secretary's judgment, will be competent in time of war to manufacture the particular class of special munitions with respect to which the bid is solicited. In the determination of which classes of special munitions are to be manufactured under this Act, and in the determination of which of the solicited bidders is to be awarded any contract, the Secretary shall have regard solely to the selection of such classes of special munitions and of such bidders as will, in his judgment, under all the circumstances, best serve the interest of the United States and best promote the cause of national defense. The Secretary of War shall enter into no contract under this section without the approval of the President.

June 16, 1938  
[H. R. 6246]  
[Public, No. 639]

Educational orders to familiarize commercial concerns with production of war munitions, etc., authorized.

Solicitation of bids; limitation.

Determination of munitions to be manufactured, bidders, etc.

Approval of contracts.

Inclusion of gages and other appliances in first orders to be placed.

Title to remain in Federal Government.

Limitation on awards.

Appropriations authorized.  
Post, p. 1153.

SEC. 2. That the first of any such educational orders placed with any person, firm, or corporation for supplying any such munitions, accessories, or parts, may include a complete set of such gages, dies, jigs, tools, fixtures, and other special aids and appliances, including drawings thereof, as may be required for the production of such munitions, accessories, and parts in quantity in the event of an emergency. The title to all such facilities shall remain in the Government of the United States.

SEC. 3. That not more than one such educational order for the manufacture of the same, or substantially the same, article of special munitions shall be given to the same person, firm, or corporation within any period of three successive years. This section shall not prohibit the awarding of any contract during any war in which the United States is engaged.

SEC. 4. That, to carry out the provisions of this Act, there is authorized to be appropriated the sum of \$2,000,000 during each of the five fiscal years beginning with the fiscal year during which this Act is enacted.

Approved, June 16, 1938.

#### [CHAPTER 459]

#### AN ACT

June 16, 1938  
[H. R. 8773]

[Public, No. 640]

To authorize the Secretary of the Interior to dispose of surplus buffalo and elk of the Wind Cave National Park herd, and for other purposes.

Wind Cave National Park.  
Disposition of surplus buffalo and elk.

Deposit of receipts.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Interior is authorized, in his discretion and under regulations to be prescribed by him, to sell or otherwise dispose of the surplus buffalo and elk of the Wind Cave National Park herd.

SEC. 2. All moneys received from the sale of any such surplus animals, or products thereof, shall be deposited in the Treasury of the United States as miscellaneous receipts.

Approved, June 16, 1938.

#### [CHAPTER 460]

#### AN ACT

June 16, 1938  
[H. R. 10652]

[Public, No. 641]

To provide for the ratification of all joint resolutions of the Legislature of Puerto Rico and of the former legislative assembly.

Puerto Rico.  
Ratification, etc., of all joint resolutions passed by Legislature or former legislative assembly.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That all and each and every of the joint resolutions passed at any time by the Legislature of Puerto Rico or by the former legislative assembly, and approved by the Governor, be, and the same are hereby, in all things ratified, approved, and confirmed; and all acts done, contracts and conveyances made or entered into or issued or delivered or accepted or received, including bonds, deeds, and transfers of real or personal property or easements or intangible or inchoate rights, and documents and papers of every character made, taxes collected and the collection thereof, disbursements of moneys made and warrants therefor, and all other steps, acts, judgments, decrees, and proceedings of any and every kind or nature entered into, made, done, taken, had, executed, issued, delivered, or received or accepted under or by virtue of any such joint resolution, either of the Legislature of Puerto Rico or of the former legislative assembly, be, and the same

are hereby, in all things legalized, ratified, and confirmed and validated as fully to all intents and purposes, and to have the same effect, validity, operation, and effectiveness as though all and each and every of such joint resolutions had originally been enacted, validly, and approved by the Governor, in the form of "Acts" of the legislature and of the legislative assembly, respectively, instead of in the form of "joint resolution."

Approved, June 16, 1938.

## [CHAPTER 461]

## AN ACT

To exempt the property of the Young Women's Christian Association in the District of Columbia from national and municipal taxation.

June 16, 1938  
[H. R. 10673]  
[Public, No. 642]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That all property of the Young Women's Christian Association of the District of Columbia located in the District of Columbia and occupied and used by such association for its legitimate purposes shall be exempt from all national and municipal taxation so long as such property is so occupied and used.

District of Columbia.  
Tax exemption, property of Young Women's Christian Association.

SEC. 2. The Young Women's Christian Association of the District of Columbia is hereby relieved from any accrued liability to the United States or the District of Columbia for taxes imposed upon any of the property of such association located in the District of Columbia for any tax period during which such property was occupied and used by such association for its legitimate purposes.

Remission of any accrued taxes.

Approved, June 16, 1938.

## [CHAPTER 462]

## AN ACT

To extend for two additional years the 3½-per-centum interest rate on certain Federal land-bank loans, and to provide for a 4-per-centum interest rate on Land Bank Commissioner's loans until July 1, 1940.

June 16, 1938  
[H. R. 10530]  
[Public, No. 643]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That (a) effective July 1, 1935, the first sentence of paragraph "Twelfth" of section 12 of the Federal Farm Loan Act, as amended (relating to reduction in interest rates on certain Federal land-bank loans), is amended by striking out the following: "occurring within a period of three years, commencing July 1, 1935, and shall not exceed 4 per centum per annum for all interest payable on installment dates occurring within a period of one year commencing July 1, 1938" and inserting in lieu thereof the following: "occurring within a period of five years, commencing July 1, 1935".

Federal Farm Loan Act, amendments.  
48 Stat. 43.  
12 U. S. C. § 771; Supp. III, § 771.  
Extension of reduced interest rates on certain Federal land-bank loans.

(b) The fourth sentence of such paragraph "Twelfth" (relating to the time limit on payments made by the United States to land banks on account of such interest reduction) is amended to read as follows: "No payments shall be made to a bank with respect to any period after June 30, 1940."

Time limit for final payments extended.

SEC. 2. The last paragraph of section 32 of the Emergency Farm Mortgage Act, as amended (relating to reduction in the interest rate on loans by the Land Bank Commissioner), is amended to read as follows:

Loans by Land Bank Commissioner.  
50 Stat. 521.  
12 U. S. C., Supp. III, § 1016 (1).

"Notwithstanding the foregoing provisions of this section, the rate of interest on loans made under this section shall not exceed 4 per

Interest rate limitation.

centum per annum for all interest payable on installment dates occurring on or after July 22, 1937, and prior to July 1, 1940."

WM. B. BANKHEAD  
*Speaker of the House of Representatives.*

JNO. N. GARNER  
*Vice President of the United States and  
President of the Senate.*

IN THE HOUSE OF REPRESENTATIVES, U. S.,  
*June 14 (calendar day, June 15), 1938.*

Certificate of the  
House of Representa-  
tives.

The House of Representatives having proceeded to reconsider the bill (H. R. 10530) entitled "An Act to extend for two additional years the 3½-per-centum interest rate on certain Federal land-bank loans, and to provide for a 4-per-centum interest rate on Land Bank Commissioner's loans until July 1, 1940", returned by the President of the United States with his objections, to the House of Representatives, in which it originated, it was

*Resolved*, That the said bill pass, two-thirds of the House of Representatives agreeing to pass the same.

Attest:

SOUTH TRIMBLE  
*Clerk.*

Certificate of origin.

I certify that this Act originated in the House of Representatives  
SOUTH TRIMBLE  
*Clerk.*

*June 7 (calendar day, June 16), 1938.*

IN THE SENATE OF THE UNITED STATES

Certificate of the  
Senate.

The Senate having proceeded, in pursuance of the Constitution, to reconsider the bill (H. R. 10530) entitled "An Act to extend for two additional years the 3½-per-centum interest rate on certain Federal land-bank loans, and to provide for a 4-per-centum interest rate on Land Bank Commissioner's loans until July 1, 1940," returned by the President of the United States to the House of Representatives, in which it originated, with his objections, and sent by the House of Representatives to the Senate with the message of the President returning same, it is

*Resolved*, That the bill do pass, two-thirds of the Senators present having voted in the affirmative.

Attest:

EDWIN A. HALSEY  
*Secretary.*

[CHAPTER 464]

AN ACT

June 16, 1938  
[H. R. 10238]  
[Public, No. 644]

Making appropriations for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1939, and for other purposes.

Department of Agri-  
culture and Farm  
Credit Administra-  
tion appropriations,  
1939.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Agriculture and for the Farm Credit Administration for the fiscal year ending June 30, 1939, namely:

## TITLE I—DEPARTMENT OF AGRICULTURE

## OFFICE OF THE SECRETARY

## SALARIES

For the Secretary of Agriculture, Under Secretary of Agriculture, Assistant Secretary, Director of Finance and Budget Officer at \$8,500 so long as the position is held by the present incumbent, and for other personal services in the District of Columbia, and elsewhere, \$581,920: *Provided*, That in expending appropriations or portions of appropriations contained in this Act for the payment of personal services in the District of Columbia in accordance with the Classification Act of 1923, as amended, with the exception of the Assistant Secretary, the average of the salaries of the total number of persons under any grade in any bureau, office, or other appropriation unit shall not at any time exceed the average of the compensation rates specified for the grade by such Act as amended and in grades in which only one position is allocated the salary of such position shall not exceed the average of the compensation rates for the grade, except that in unusually meritorious cases of one position in a grade advances may be made to rates higher than the average of the compensation rates of the grade but not more often than once in any fiscal year and then only to the next higher rate: *Provided further*, That this restriction shall not apply (1) to grades 1, 2, 3, and 4 of the clerical-mechanical service, or (2) to require the reduction in salary of any person whose compensation was fixed as of July 1, 1924, in accordance with the rules of section 6 of such Act, (3) to require the reduction in salary of any person who is transferred from one position to another position in the same or different grade, in the same or different bureau, office, or other appropriation unit, (4) to prevent the payment of a salary under any grade at a rate higher than the maximum rate of the grade when such higher rate is permitted by the Classification Act of 1923, as amended, and is specifically authorized by other law, or (5) to reduce the compensation of any person in a grade in which only one position is allocated: *Provided further*, That the Secretary of Agriculture is authorized to contract for stenographic reporting services, and the appropriations made in this Act shall be available for such purposes: *Provided further*, That the Secretary of Agriculture is authorized to expend from appropriations available for the purchase of lands not to exceed \$1 for each option to purchase any particular tract or tracts of land: *Provided further*, That not to exceed \$40,000 of the appropriations available for salaries and expenses of officers and employees of the Department of Agriculture permanently stationed in foreign countries may be used for payment of allowances for living quarters, including heat, fuel, and light, as authorized by the Act approved June 26, 1930 (5 U. S. C. 118a): *Provided further*, That with the approval of the Secretary of Agriculture employees of the Department of Agriculture stationed abroad may enter into leases for official quarters, for periods not exceeding one year, and may pay rent, telephone, subscriptions to publications, and other charges incident to the conduct of their offices and the discharge of their duties, in advance, in any foreign country where custom or practice requires payment in advance: *Provided further*, That no part of the funds appropriated by this Act shall be used for the payment of any officer or employee of the Department of Agriculture who, as such officer or employee, or on behalf of the Department or any division, commission, or bureau thereof, issues, or causes to be issued, any prediction, oral or written, or forecast with respect to future prices

Title I—Department of Agriculture.

Office of the Secretary.

Salaries.

*Provisos.*  
Salaries limited to average rates under Classification Act.  
42 Stat. 1488.  
5 U. S. C. §§ 661-674; Supp. III, §§ 673, 673c.

If only one position in grade.

Restriction not applicable to clerical-mechanical service.  
No reduction in fixed salaries.  
42 Stat. 1490.  
5 U. S. C. § 666.  
Transfers without reduction.

Higher rates permitted.

If only one position in grade.

Contracts for stenographic reporting.

Options to purchase lands.

Allowances for living quarters abroad.

46 Stat. 818.  
5 U. S. C. § 118a.  
Advance payments.

Employees predicting future prices of cotton; payments to, forbidden.

Effects of spray insecticides on fruit, etc., use of funds for investigations forbidden.

of cotton or the trend of same: *Provided further*, That no part of the funds appropriated by this Act shall be used for laboratory investigations to determine the possibly harmful effects on human beings of spray insecticides on fruits and vegetables.

#### MISCELLANEOUS EXPENSES, DEPARTMENT OF AGRICULTURE

Miscellaneous expenses.

Vehicles.

*Provisos.*  
Maintenance, etc., of vehicles; reimbursement from other appropriations.

42 Stat. 508.  
5 U. S. C. § 543.  
Maintenance of stationery, etc., stocks.

Maximum.  
Reimbursement from other appropriations.

47 Stat. 417.  
31 U. S. C. § 686.

Salaries and expenses, handling, etc., of supplies.

Use of central storehouse.

Segregation of transactions.

Rent.

Buildings in the District of Columbia.  
*Post*, p. 1125.

For stationery, supplies, materials, and equipment, freight, express, and drayage charges, advertising and press clippings, communication service, postage, washing towels, repairs, and alterations; for the maintenance, repair, and operation of one motorcycle and not to exceed three motor-propelled passenger-carrying vehicles (including one for the Secretary of Agriculture, one for general utility needs of the entire Department, and one for the Forest Service) and purchase of one motor-propelled passenger-carrying vehicle at not to exceed \$1,500, including the exchange value of one such vehicle, for official purposes only; for official traveling expenses, including examination of estimates for appropriations in the field for any bureau, office, or service of the Department; and for other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department, which are authorized by such officer as the Secretary may designate, \$108,250: *Provided*, That this appropriation shall be available for the payment of salaries of employees engaged in the maintenance, repair, and operation of motor transport vehicles, and that this appropriation shall be reimbursed from the appropriation made for any bureau or office for which such service is performed, in accordance with the provisions of the Act of May 11, 1922 (5 U. S. C. 543): *Provided further*, That the Secretary of Agriculture, during the fiscal year for which this appropriation is made, may maintain stocks of stationery, supplies, equipment, and miscellaneous materials sufficient to meet, in whole or in part, requirements of the bureaus and offices of the Department in the city of Washington and elsewhere, but not to exceed in the aggregate \$200,000 in value at the close of the fiscal year, and the appropriations of such bureaus, offices, and agencies available for the purchase of stationery, supplies, equipment, and miscellaneous materials shall be available to reimburse the appropriation for miscellaneous expenses current at the time supplies are allotted, assigned, or issued, or when payment is received; for transfer for the purchase of inventory; and for transfer pursuant to the provisions of section 601 of the Act approved June 30, 1932 (31 U. S. C. 686): *Provided further*, That the appropriations made hereunder shall be available for the payment of salaries and expenses for purchasing, storing, handling, packing, or shipping supplies and blank forms, and there shall be charged proportionately as a part of the cost of supplies issued an amount to cover such salaries and expenses, and in the case of blank forms and supplies not purchased from this appropriation an amount to cover such salaries and expenses shall be charged proportionately to the proper appropriation: *Provided further*, That the facilities of the central storehouse of the Department shall to the fullest extent practicable be used to make unnecessary the maintenance of separate bureau storehouse activities in the Department: *Provided further*, That a separate schedule of expenditures, transfers of funds, or other transactions hereunder shall be included in the annual Budget.

#### RENT OF BUILDINGS IN THE DISTRICT OF COLUMBIA

For rent of buildings and parts of buildings in the District of Columbia, for use of the various bureaus, divisions, and offices of the Department of Agriculture, \$180,655.

Total, Office of the Secretary, \$870,825.

## OFFICE OF THE SOLICITOR

Office of the Solicitor.

Salaries and expenses: For the employment of personal services in the District of Columbia and elsewhere, and for other necessary expenses, \$219,240, of which not to exceed \$174,541 may be expended for personal services in the District of Columbia.

Salaries and expenses.

## OFFICE OF INFORMATION

Office of Information.

## SALARIES AND EXPENSES

For necessary expenses in connection with the publication, indexing, illustration, and distribution of bulletins, documents, and reports, including labor-saving machinery and supplies, envelopes, stationery and materials, office furniture and fixtures, photographic equipment and materials, artists' tools and supplies, telephone and telegraph service, freight and express charges; purchase and maintenance of bicycles; purchase of manuscripts; traveling expenses; electrotypes, illustrations, and other expenses not otherwise provided for, \$379,800, of which not to exceed \$359,338 may be used for personal services in the District of Columbia.

Salaries and expenses.

Personal services, D. C.

## PRINTING AND BINDING

For all printing and binding for the Department of Agriculture, including all of its bureaus, offices, institutions, and services located in Washington, District of Columbia, and elsewhere, \$1,094,970, including the purchase of reprints of scientific and technical articles published in periodicals and journals; the Annual Report of the Secretary of Agriculture, as required by the Acts of January 12, 1895 (44 U. S. C. 111, 212-220, 222, 241, 244), March 4, 1915 (7 U. S. C. 418), and June 20, 1936 (5 U. S. C. 108), and in pursuance of the Act approved March 30, 1906 (44 U. S. C. 214, 224), and also including not to exceed \$250,000 for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths of which shall be delivered to or sent out under the addressed franks furnished by the Senators, Representatives, and Delegates in Congress, as they shall direct, but not including work done at the field printing plants of the Weather Bureau and of the Forest Service authorized by the Joint Committee on Printing, in accordance with the Act approved March 1, 1919 (44 U. S. C. 111, 220).

Printing and binding.

Annual Report of the Secretary.  
26 Stat. 612; 34 Stat. 825; 49 Stat. 1550.  
44 U. S. C. §§ 111, 212-220, 222, 241, 244;  
7 U. S. C. § 418; 5 U. S. C., Supp. III, § 108.  
34 Stat. 825.  
44 U. S. C. §§ 214, 224.  
Farmers' bulletins.

Exceptions.

40 Stat. 1270.  
44 U. S. C. §§ 111, 220.

Total, Office of Information, \$1,474,770.

## LIBRARY, DEPARTMENT OF AGRICULTURE

Library.

Salaries and expenses: For purchase and exchange of books of reference, law books, technical and scientific books, periodicals, and for expenses incurred in completing imperfect series; not to exceed \$1,200 for newspapers, and when authorized by the Secretary of Agriculture for dues for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members; for salaries in the city of Washington and elsewhere; for official traveling expenses, and for library fixtures, library cards, supplies, and for all other necessary expenses, \$105,420, of which amount not to exceed \$71,600 may be expended for personal services in the District of Columbia.

Salaries and expenses.

Personal services, D. C.



Office of Experiment Stations.

## OFFICE OF EXPERIMENT STATIONS

### PAYMENTS TO STATES, HAWAII, ALASKA, AND PUERTO RICO FOR AGRICULTURAL EXPERIMENT STATIONS

Support of stations.  
24 Stat. 440.  
7 U. S. C. §§ 362, 363,  
365, 368, 377-379.

College-aid land grants.  
12 Stat. 503.  
7 U. S. C. §§ 301-308.

Increased allotments.  
34 Stat. 63.  
7 U. S. C. § 369.

Further allotments.  
43 Stat. 970.  
7 U. S. C. §§ 361, 366,  
370, 371, 373-376, 380,  
382.

Hawaii.  
45 Stat. 571.  
7 U. S. C. §§ 386-  
386b.

Alaska.  
45 Stat. 1256.  
7 U. S. C. § 386c.

Benefits of other provisions extended to.  
49 Stat. 1554.  
7 U. S. C., Supp.  
III, § 369a.

Puerto Rico.  
46 Stat. 1520.  
7 U. S. C. §§ 386d-  
386f.

Research into basic agricultural laws and principles.  
49 Stat. 436.  
7 U. S. C., Supp.  
III, §§ 427-427g.

Total.

**Hatch Act:** To carry into effect the provisions of an Act approved March 2, 1887 (7 U. S. C. 362, 363, 365, 368, 377-379), entitled "An Act to establish agricultural experiment stations in connection with the colleges established in the several States under the provisions of an Act approved July 2, 1862 (7 U. S. C. 301-308), and of the Acts supplementary thereto", the sums apportioned to the several States, to be paid quarterly in advance, \$720,000.

**Adams Act:** To carry into effect the provisions of an Act approved March 16, 1906 (7 U. S. C. 369), entitled "An Act to provide for an increased annual appropriation for agricultural experiment stations and regulating the expenditure thereof", and Acts supplementary thereto, the sums apportioned to the several States to be paid quarterly in advance, \$720,000.

**Purnell Act:** To carry into effect the provisions of an Act entitled "An Act to authorize the more complete endowment of agricultural experiment stations", approved February 24, 1925 (7 U. S. C. 361, 366, 370, 371, 373-376, 380, 382), \$2,880,000.

**Hawaii:** To carry into effect the provisions of an Act entitled "An Act to extend the benefits of certain Acts of Congress to the Territory of Hawaii", approved May 16, 1928 (7 U. S. C. 386-386b), \$55,000.

**Alaska:** To carry into effect the provisions of an Act entitled "An Act to extend the benefits of the Hatch Act and the Smith-Lever Act to the Territory of Alaska", approved February 23, 1929 (7 U. S. C. 386c), \$15,000; and the provisions of section 2 of the Act entitled "An Act to extend the benefits of the Adams Act, the Purnell Act, and the Capper-Ketcham Act to the Territory of Alaska, and for other purposes", approved June 20, 1936 (7 U. S. C. 369a), \$8,750; in all, for Alaska, \$23,750.

**Puerto Rico:** To carry into effect the provisions of an Act entitled "An Act to coordinate the agricultural experiment station work and to extend the benefits of certain Acts of Congress to the Territory of Puerto Rico", approved March 4, 1931 (7 U. S. C. 386d-386f), \$42,500.

**Title 1, Bankhead-Jones Act:** For payments to States, Hawaii, Alaska, and Puerto Rico, pursuant to authorizations contained in title 1 of an Act entitled "An Act to provide for research into basic laws and principles relating to agriculture and to provide for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges", approved June 29, 1935 (7 U. S. C. 427-427g), \$2,100,000.

In all, payments to States, Hawaii, Alaska, and Puerto Rico for agricultural experiment stations, \$6,541,250.

### SALARIES AND EXPENSES

Salaries and expenses.  
Administration of grants to States, etc.  
24 Stat. 440; 34 Stat. 63; 43 Stat. 970; 45 Stat. 571, 1256; 46 Stat. 1520.  
7 U. S. C. §§ 361-363, 365, 366, 368-371, 373-380, 382, 386-386f.  
49 Stat. 1553.  
7 U. S. C., Supp. III, § 369a.  
Puerto Rico, station.

**Administration of grants to States and coordination of research:** To enable the Secretary of Agriculture to enforce the provisions of the Acts approved March 2, 1887 (7 U. S. C. 362, 363, 365, 368, 377-379), March 16, 1906 (7 U. S. C. 369, 375), February 24, 1925 (7 U. S. C. 361, 366, 370, 371, 373-376, 380, 382), May 16, 1928 (7 U. S. C. 386-386b), February 23, 1929 (7 U. S. C. 386c), March 4, 1931 (7 U. S. C. 386d-386f), and June 20, 1936 (7 U. S. C. 369a), and Acts amendatory or supplementary thereto, relative to their administration and for the administration of an agricultural experiment station in Puerto Rico, including the employment of persons and

means in the city of Washington and elsewhere, \$161,735; and the Secretary of Agriculture shall prescribe the form of the annual financial statement required under the above Acts, ascertain whether the expenditures are in accordance with their provisions, coordinate the research work of the Department of Agriculture and coordinate the research work of the Department with that of the State agricultural colleges and experiment stations in the lines authorized in said Acts, and make report thereon to Congress.

Form of annual financial statement, etc.

Insular experiment stations: To enable the Secretary of Agriculture to establish and maintain an agricultural experiment station in Puerto Rico, including the erection of buildings, the preparation, illustration, and distribution of reports and bulletins, \$67,245: *Provided*, That the Secretary of Agriculture may, at his discretion, transfer such property and equipment, including the library, of the Hawaii Experiment Station, formerly maintained by the Department of Agriculture, as he may deem necessary and advisable to the experiment station of the University of Hawaii, which has been conducted jointly and in collaboration with the former Federal station under the Act of May 16, 1928 (7 U. S. C. 386-386b); and the Secretary of Agriculture is authorized to sell such products as are obtained on the land belonging to the agricultural experiment station in Puerto Rico, and the amount obtained from the sale thereof shall be covered into the Treasury of the United States as miscellaneous receipts.

Insular experiment stations.

*Proviso.*  
Transfer of equipment.

45 Stat. 571.  
7 U. S. C. §§ 386-386b.  
Sale of products.

Deposit of receipts.

In all, salaries and expenses, \$228,980.

Total, Office of Experiment Stations, \$6,770,230, of which amount not to exceed \$150,105 may be expended for personal services in the District of Columbia, and not to exceed \$750 shall be available for the purchase of motor-propelled and horse-drawn passenger-carrying vehicles necessary in the conduct of field work outside the District of Columbia.

Personal services,  
D. C.

Vehicles, field service.

## SPECIAL RESEARCH FUND, DEPARTMENT OF AGRICULTURE

For enabling the Secretary of Agriculture to carry into effect the provisions of an Act entitled "An Act to provide for research into basic laws and principles relating to agriculture and to provide for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges", approved June 29, 1935 (7 U. S. C. 427, 427b, 427c, 427f); for administration of the provisions of section 5 of the said Act, and for special research work, including the planning, programming, and coordination of such research, to be conducted by such agencies of the Department of Agriculture as the Secretary of Agriculture may designate or establish, and to which he may make allotments from this fund, including the employment of persons and means in the District of Columbia and elsewhere, and the purchase, maintenance, repair, and operation of motor-propelled and horse-drawn passenger-carrying vehicles necessary in the conduct of field work outside the District of Columbia, \$1,400,000.

Special research fund; administrative expenses.

49 Stat. 436.  
7 U. S. C., Supp. III, §§ 427, 427b, 427c, 427f.  
Administration of stations.

Vehicles.

## EXTENSION SERVICE

Extension Service.

### PAYMENTS TO STATES, HAWAII, ALASKA, AND PUERTO RICO

Supplementary cooperative extension work: For cooperative agricultural extension work, to be allotted, paid, and expended in the same manner, upon the same terms and conditions, and under the same

Supplementary cooperative extension work.

38 Stat. 372; 45 Stat.  
711.  
7 U. S. C. §§ 341-348.

12 Stat. 503.  
7 U. S. C. §§ 301-308.

Use of funds.

*Proviso.*  
Limitation on ex-  
penditure.  
Further cooperation  
with State colleges.

12 Stat. 503; 38 Stat.  
372; 45 Stat. 711; 46  
Stat. 83.  
7 U. S. C. §§ 301-308,  
343a, 343b.

Cooperative State  
agricultural extension  
work.  
49 Stat. 438.  
7 U. S. C., Supp.  
III, § 343c.

Alaska.  
45 Stat. 1256.  
7 U. S. C. § 386c.  
Benefits of desig-  
nated acts extended  
to.

49 Stat. 1554.  
7 U. S. C., Supp.  
III, § 343e.

Puerto Rico.  
50 Stat. 881.  
7 U. S. C., Supp.  
III, § 343f.

Additional cooper-  
ative extension work.

Total.

supervision as the additional appropriations made by the Act of May 8, 1914 (7 U. S. C. 341-348), entitled "An Act to provide for cooperative agricultural extension work between the agricultural colleges in the several States receiving benefits of an Act of Congress approved July 2, 1862 (7 U. S. C. 301-308), and of Acts supplementary thereto, and the United States Department of Agriculture", \$395,000; and all sums appropriated by this Act for use for demonstration or extension work within any State shall be used and expended in accordance with plans mutually agreed upon by the Secretary of Agriculture and the proper officials of the college in such State which receives the benefits of said Act of May 8, 1914: *Provided*, That of the above appropriation not more than \$300,000 shall be expended for purposes other than salaries of county agents.

Capper-Ketcham extension work: To enable the Secretary of Agriculture to carry into effect the provisions of the Act entitled "An Act to provide for the further development of agricultural extension work between the agricultural colleges in the several States receiving the benefits of the Act entitled 'An Act donating public lands to the several States and Territories which may provide colleges for the benefit of agriculture and mechanic arts', approved July 2, 1862 (7 U. S. C. 301-308), and all Acts supplementary thereto, and the United States Department of Agriculture", approved May 22, 1928 (7 U. S. C. 343a, 343b), \$1,480,000.

Extension work, section 21, Bankhead-Jones Act: To enable the Secretary of Agriculture to carry into effect the provisions of section 21, title II, of the Act entitled "An Act to provide for research into basic laws and principles relating to agriculture and to provide for the further development of cooperative agricultural extension work and the more complete endowment and support of land-grant colleges", approved June 29, 1935 (7 U. S. C. 343c), \$11,000,000.

Alaska: To enable the Secretary of Agriculture to carry into effect the provisions of the Act entitled "An Act to extend the benefits of the Hatch Act and the Smith-Lever Act to the Territory of Alaska", approved February 23, 1929 (7 U. S. C. 386c), \$13,918; and the provisions of section 3 of the Act entitled "An Act to extend the benefits of the Adams Act, the Purnell Act, and the Capper-Ketcham Act to the Territory of Alaska, and for other purposes", approved June 20, 1936 (7 U. S. C. 343e), \$7,500; in all, for Alaska, \$21,418.

Puerto Rico: To enable the Secretary of Agriculture to carry into effect the provisions of the Act entitled "An Act to extend the benefits of section 21 of the Bankhead-Jones Act to Puerto Rico", approved August 28, 1937 (50 Stat. 881), \$45,000.

Additional cooperative extension work: For additional cooperative agricultural extension work, including employment of specialists in economics and marketing, to be allotted and paid by the Secretary of Agriculture to the several States and the Territory of Hawaii in such amounts as he may deem necessary to accomplish such purposes, \$275,000.

In all, payments to States, Hawaii, Alaska, and Puerto Rico for agricultural extension work, \$13,216,418.

#### SALARIES AND EXPENSES

General adminis-  
trative expenses.

General administrative expenses: For necessary expenses for general administrative purposes, including personal services in the District of Columbia, \$126,246.

Farmers' cooper-  
ative demonstration  
work.

Farmers' cooperative demonstration work: For farmers' cooperative demonstration work, including special suggestions of plans and

methods for more effective dissemination of the results of the work of the Department of Agriculture and the agricultural experiment stations and of improved methods of agricultural practice, at farmers' institutes and in agricultural instruction, and for such work on Government reclamation projects, and for personal services in the city of Washington and elsewhere, supplies, and all other necessary expenses, \$545,170: *Provided*, That the expense of such service shall be defrayed from this appropriation and such cooperative funds as may be voluntarily contributed by State, county, and municipal agencies, associations of farmers, and individual farmers, universities, colleges, boards of trade, chambers of commerce, other local associations of business men, business organizations, and individuals within the State.

Farmers' institutes.

*Proviso.*  
Acceptance of voluntary contributions within State.

Motion pictures: For the preparation and distribution of motion and sound pictures, and sound recordings, as a means of disseminating information to farmers and others on the results of scientific research of the Department, and of teaching improved methods and practices in agriculture, home economics, and other subjects related to the work of the Department of Agriculture; including the employment of persons and means in the District of Columbia and elsewhere, \$79,000.

Motion and sound pictures.  
Preparation and distribution.

Agricultural exhibits at fairs: To enable the Secretary of Agriculture to make suitable agricultural exhibits at State, interstate, and international fairs held within the United States including the employment of persons and means in the District of Columbia and elsewhere, \$85,000.

Agricultural exhibits at fairs.

Cooperative farm forestry extension work: For cooperation with appropriate officials of the various States or with other suitable agencies to assist the owners of farms in establishing, improving, and renewing wood lots, shelterbelts, windbreaks, and other valuable forest growth, and in growing and renewing useful timber crops under the provisions of section 5 of the Act entitled "An Act to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor", approved June 7, 1924 (16 U. S. C. 564-570), including personal services in the District of Columbia, \$56,838.

Cooperative farm forestry extension work.

43 Stat. 654.  
16 U. S. C. §§ 564-570.

In all, salaries and expenses, \$892,254, of which amount not to exceed \$680,316 may be expended for personal services in the District of Columbia.

Personal services, D. C.

Total, Extension Service, \$14,108,672.

Grand total, Office of the Secretary of Agriculture, \$24,949,157.

## WEATHER BUREAU

Weather Bureau.

### SALARIES AND EXPENSES

For the employment of persons and means required for carrying into effect in the District of Columbia and elsewhere in the United States, in the West Indies, in the Panama Canal, the Caribbean Sea, and on adjacent coasts, in the Hawaiian Islands, in Bermuda, and in Alaska the provisions of an Act approved October 1, 1890 (15 U. S. C. 311-313, 317), so far as they relate to the weather service transferred thereby to the Department of Agriculture, and the amendment thereof contained in section 5 (e) of the Air Commerce Act of 1926 (15 U. S. C. 313); for repair, alterations, and improvements to existing buildings and care and preservation of grounds, including the construction of necessary outbuildings and

Salaries and expenses.

26 Stat. 653.  
15 U. S. C. §§ 311-313, 317.

Air navigation reports.  
44 Stat. 571.  
15 U. S. C. § 313.  
Buildings and grounds.

Living quarters of observers.

Telegraphing, etc.

Issuing forecasts and warnings.

Cooperation with other bureaus, etc.

Administrative expenses.

General weather service and research.

Weather relationship to forest fires.

45 Stat. 701.  
16 U. S. C. § 581e.  
International Meteorological Committee.

Printing office.

*Proviso.*  
Restriction.

Aerology.

Personal services, D. C.

*Proviso.*  
Part-time employees.

Bureau of Animal Industry.

Salaries and expenses.

23 Stat. 31.  
7 U. S. C. § 391; 21 U. S. C. §§ 112-119, 130.

26 Stat. 833.  
45 U. S. C. §§ 75, 76.

26 Stat. 414.  
21 U. S. C. §§ 101-105.

Contagious diseases, etc.

32 Stat. 792.  
21 U. S. C. §§ 111-113, 120-122.

side walks on public streets, abutting Weather Bureau grounds; for the erection of temporary buildings for living quarters of observers; for telephone rentals, and for telegraphing, telephoning, and cabling reports and messages, rates to be fixed by the Secretary of Agriculture by agreement with the companies performing the service; for the establishment, equipment, and maintenance of meteorological offices and stations and for the issuing of weather forecasts and warnings of storms, cold waves, frosts, and heavy snows, the gaging and measuring of the flow of rivers and the issuing of river forecasts and warnings; for observations and reports relating to crops; and for other necessary observations and reports, including cooperation with other bureaus of the Government and societies and institutions of learning as follows:

General administrative expenses: For necessary expenses for general administrative purposes, including the salary of chief of bureau and other personal services in the District of Columbia, \$145,000.

General weather service and research: For necessary expenses incident to collecting and disseminating meteorological, climatological, and marine information, and for investigations in meteorology, climatology, seismology, evaporation, and aerology in the District of Columbia and elsewhere, including \$3,930 for investigations of the relationship of weather conditions to forest fires, under section 6 of the Act approved May 22, 1928 (16 U. S. C. 581e), \$2,342,870, of which not to exceed \$1,500 may be expended for the contribution of the United States to the cost of the office of the secretariat of the International Meteorological Committee, and not to exceed \$10,000 may be expended for the maintenance of a printing office in the city of Washington for the printing of weather maps, bulletins, circulars, forms, and other publications: *Provided*, That no printing shall be done by the Weather Bureau that can be done at the Government Printing Office without impairing the service of said Bureau.

Aerology: For the maintenance of stations for observing, measuring, and investigating atmospheric phenomena, including salaries and other expenses, in the city of Washington and elsewhere, \$2,500,000.

Total, Weather Bureau, \$4,987,870, of which amount not to exceed \$575,619 may be expended for personal services in the District of Columbia: *Provided*, That Weather Bureau part-time employees, appointed by designation or otherwise, under regulations of the Civil Service Commission, for observational work, may perform odd jobs in the installation, repair, improvement, alteration, cleaning, or removal of Government property and receive compensation therefor at rates of pay to be fixed by the Secretary of Agriculture.

## BUREAU OF ANIMAL INDUSTRY

### SALARIES AND EXPENSES

For carrying out the provisions of the Act approved May 29, 1884 (7 U. S. C. 391; 21 U. S. C. 112-119, 130), establishing a Bureau of Animal Industry, and the provisions of the Act approved March 3, 1891 (45 U. S. C. 75, 76), providing for the safe transport and humane treatment of export cattle from the United States to foreign countries, and for other purposes; the Act approved August 30, 1890 (21 U. S. C. 101-105), providing for the importation of animals into the United States, and for other purposes; and the provisions of the Act approved February 2, 1903 (21 U. S. C. 111-113, 120-122), to enable the Secretary of Agriculture to more effectually suppress and

prevent the spread of contagious and infectious diseases of livestock, and for other purposes; and also the provisions of the Act approved March 3, 1905 (21 U. S. C. 123-128), to enable the Secretary of Agriculture to establish and maintain quarantine districts, to permit and regulate the movement of cattle and other livestock therefrom, and for other purposes; and for carrying out the provisions of the Act of June 29, 1906 (45 U. S. C. 71-74), entitled "An Act to prevent cruelty to animals while in transit by railroad or other means of transportation"; and for carrying out the provisions of the Meat Inspection Act of June 30, 1906 (21 U. S. C. 95), as amended by the Act of March 4, 1907 (21 U. S. C. 71-94), as extended to equine meat by the Act of July 24, 1919 (21 U. S. C. 96), and as authorized by section 2 (a) of the Act of June 26, 1934 (31 U. S. C. 725a); and for carrying out the provisions of the Act approved March 4, 1913 (21 U. S. C. 151-158), regulating the preparation, sale, barter, exchange, or shipment of any virus, serum, toxin, or analogous products manufactured in the United States and the importation of such products intended for use in the treatment of domestic animals; and for carrying out the provisions of the Packers and Stockyards Act, approved August 15, 1921 (7 U. S. C. 181-229), as amended by the Act of August 14, 1935 (7 U. S. C. 218-218d); and the Secretary of Agriculture, upon application of any exporter, importer, packer, owner, agent of, or dealer in livestock, hides, skins, meat, or other animal products, may, in his discretion, make inspections and examinations at places other than the headquarters of inspectors for the convenience of said applicants and charge the applicants for the expenses of travel and subsistence incurred for such inspections and examinations, the funds derived from such charges to be deposited in the Treasury of the United States to the credit of the appropriation from which the expenses are paid; and to enable the Secretary of Agriculture to collect and disseminate information concerning livestock and animal products; to prepare and disseminate reports on animal industry; to employ persons and means in the city of Washington or elsewhere; to purchase in the open market samples of all tuberculin, serums, antitoxins, or analogous products, of foreign or domestic manufacture, which are sold in the United States, for the detection, prevention, treatment, or cure of diseases of domestic animals, to test the same, and to disseminate the results of said tests in such manner as he may deem best; to purchase and destroy diseased or exposed animals, including poultry, or quarantine the same whenever in his judgment essential to prevent the spread of pleuro-pneumonia, tuberculosis, contagious poultry diseases, or other diseases of animals from one State to another, as follows:

**General administrative expenses:** For necessary expenses for general administrative purposes, including the salary of chief of bureau and other personal services in the District of Columbia, \$178,220.

**Animal husbandry:** For investigations and experiments in animal husbandry; for experiments in animal feeding and breeding, including cooperation with the State agricultural experiment stations and other agencies, including repairs and additions to and erection of buildings absolutely necessary to carry on the experiments, \$789,380, including \$12,500 for livestock experiments and demonstrations at Big Springs or elsewhere in Texas, to be available only when the State of Texas, or other cooperating agency in Texas, shall have appropriated an equal amount or, in the opinion of the Secretary of Agriculture, shall have furnished its equivalent in value in cooperation for the same purpose during the fiscal year 1939: *Provided*, That of the sum thus appropriated \$238,957 may be used for experi-

Cattle quarantine.  
33 Stat. 1264.  
21 U. S. C. §§ 123-128.

Twenty-eight hour law.  
34 Stat. 607.  
45 U. S. C. §§ 71-74.

Meat inspection.  
34 Stat. 674, 1200; 41 Stat. 241.  
21 U. S. C. §§ 95, 71-94, 96.  
48 Stat. 1225.  
31 U. S. C. § 725a.

Animal viruses, etc.  
37 Stat. 832.  
21 U. S. C. §§ 151-158.

Packers and Stockyards Act.  
42 Stat. 150; 49 Stat. 648.  
7 U. S. C. §§ 181-229; Supp. III, §§ 218-218d.

Inspections other than at headquarters.

Credit of fees to appropriate fund.

Collection and dissemination of information.  
Personal services.

Tuberculin, serums, etc., purchase of samples.

Purchase and destruction of diseased, etc., animals, including poultry.

General administrative expenses.

Animal husbandry.  
Feeding, breeding, etc., experiments.

Big Springs, Tex., cooperative demonstrations, etc.; conditions.

*Proriso.*  
Poultry feeding and breeding.

ments in poultry feeding and breeding, of which amount \$40,000 may be used in cooperation with State authorities in the administration of regulations for the improvement of poultry, poultry products, and hatcheries.

Animal diseases, investigations.  
Beltsville, Md., station.

*Proviso.*  
Contagious abortion of animals.

Eradicating tuberculosis and Bang's disease.

Unobligated balances reappropriated.  
48 Stat. 805; 49 Stat. 775.

*Provisos.*  
Indemnities for destroyed animals.

State, etc., cooperation.

Compensation, limitation.

Payments for cattle slaughtered prior to May 1, 1939.

Conditions.

Diseased dairy and beef cattle, experimentation.  
49 Stat. 775.  
7 U. S. C., Supp. III, § 612b.

Eradicating southern cattle ticks.

*Proviso.*  
Limitation on purchase of animals, etc.

Diseases of animals: For scientific investigations of diseases of animals, including the construction of necessary buildings at Beltsville, Maryland, and necessary expenses for investigations of tuberculin, serums, antitoxins, and analogous products, \$447,000: *Provided*, That of said sum \$78,182 may be used for researches concerning the cause, modes of spread, and methods of treatment and prevention of the disease of contagious abortion of animals.

Eradicating tuberculosis and Bang's disease: For the control and eradication of the diseases of tuberculosis and paratuberculosis of animals, avian tuberculosis, and Bang's disease of cattle, \$5,403,000, together with the unobligated balances of the funds made available by the Act of May 25, 1934 (48 Stat. 805), and section 37 of the Act of August 24, 1935 (49 Stat. 775-776): *Provided*, That in carrying out the purpose of this appropriation, if in the opinion of the Secretary of Agriculture it shall be necessary to condemn and destroy tuberculous or paratuberculous cattle, or cattle reacting to the test for Bang's disease, and if such animals have been destroyed, condemned, or die after condemnation, he may, in his discretion, and in accordance with such rules and regulations as he may prescribe, expend in the city of Washington or elsewhere such sums as he shall determine to be necessary for the payment of indemnities to owners of such animals but, except as hereinafter provided, no part of the money hereby appropriated shall be used in compensating owners of such cattle except in cooperation with and supplementary to payments to be made by State, Territory, county, or municipality where condemnation of such cattle shall take place, nor shall any payment be made hereunder as compensation for or on account of any such animal if at the time of inspection or test, or at the time of condemnation thereof, it shall belong to or be upon the premises of any person, firm, or corporation to which it has been sold, shipped, or delivered for the purpose of being slaughtered: *Provided further*, That out of the money hereby appropriated no payment as compensation for any cattle condemned for slaughter shall exceed one-third of the difference between the appraised value of such cattle and the value of the salvage thereof; that, except as hereinafter provided, no payment hereunder shall exceed the amount paid or to be paid by the State, Territory, county, and municipality where the animal shall be condemned; and that in no case shall any payment hereunder be more than \$25 for any grade animal or more than \$50 for any purebred animal: *Provided further*, That indemnity payments may be made for cattle slaughtered prior to May 1, 1939, even though the State, Territory, county, or municipality where animals are condemned has made no payment or has not equaled the Federal payment, but in no case arising under this proviso shall the Federal payment exceed the highest amount authorized to be paid at the time by the Federal Government in similar cases in any State contributing to such indemnity payments; and this proviso shall apply only to Bang's disease work: *Provided further*, That not to exceed \$100,000 of the amount herein made available may be used for continuation of scientific experimentation in diseases of livestock as authorized by section 37 of the Act of August 24, 1935 (7 U. S. C. 612b).

Eradicating cattle ticks: For the eradication of southern cattle ticks, \$503,940: *Provided*, That, except upon the written order of the Secretary of Agriculture, no part of this appropriation shall be used for the purchase of animals or in the purchase of materials for or in

the construction of dipping vats upon land not owned solely by the United States, except at fairs or expositions where the Department of Agriculture makes exhibits or demonstrations; nor shall any part of this appropriation be used in the purchase of materials or mixtures for use in dipping vats except in experimental or demonstration work carried on by the officials or agents of the Bureau of Animal Industry.

**Hog-cholera control:** For the control and eradication of hog cholera and related swine diseases, by such means as may be necessary, including demonstrations, the formation of organizations, and other methods, either independently or in cooperation with farmers' associations, State or county authorities, \$122,000.

**Inspection and quarantine:** For inspection and quarantine work, including the eradication of scabies in sheep and cattle and dourine in horses, the inspection of southern cattle, the supervision of the transportation of livestock, and the inspection of vessels, the execution of the twenty-eight-hour law, the inspection and quarantine of imported animals, including the establishment and maintenance of quarantine stations and repairs, alterations, improvements, or additions to buildings thereon; the inspection work relative to the existence of contagious diseases, and the mallein testing of animals, \$680,000.

**Meat inspection:** For expenses in carrying out the provisions of the Meat Inspection Act of June 30, 1906 (21 U. S. C. 95), as amended by the Act of March 4, 1907 (21 U. S. C. 71-94), as extended to equine meat by the Act of July 24, 1919 (21 U. S. C. 96), and as authorized by section 2 (a) of the Act of June 26, 1934 (31 U. S. C. 725a), including the purchase of printed tags, labels, stamps, and certificates without regard to existing laws applicable to public printing, \$5,412,600.

**Virus-Serum-Toxin Act:** For carrying out the provisions of the Act approved March 4, 1913 (21 U. S. C. 151-158), regulating the preparation, sale, barter, exchange, or shipment of any virus, serum, toxin, or analogous product manufactured in the United States and the importation of such products intended for use in the treatment of domestic animals, \$218,712.

**Marketing agreements with respect to hog cholera virus and serum:** The sum of \$30,000 of the appropriation made by section 12 (a) of the Agricultural Adjustment Act, approved May 12, 1933, is hereby made available during the fiscal year for which appropriations are herein made to carry into effect sections 56 to 60, inclusive, of the Act approved August 24, 1935 (7 U. S. C. 851-855), entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes", including the employment of persons and means in the District of Columbia and elsewhere.

**Packers and Stockyards Act:** For carrying out the provisions of the Packers and Stockyards Act, approved August 15, 1921 (7 U. S. C. 181-229), as amended by the Act of August 14, 1935 (7 U. S. C. 218-218d), \$381,879: *Provided*, That the Secretary of Agriculture may require reasonable bonds from every market agency and dealer, under such rules and regulations as he may prescribe, to secure the performance of their obligations, and whenever, after due notice and hearing, the Secretary finds any registrant is insolvent or has violated any provisions of said Act he may issue an order suspending such registrant for a reasonable specified period. Such order of suspension shall take effect within not less than five days, unless suspended or modified or set aside by the Secretary of Agriculture or a court of competent jurisdiction: *Provided further*, That the Secretary of Agriculture may, whenever necessary, authorize the

Materials for dipping vats.

Hog-cholera control.

Inspection and quarantine.

Mallein testing of animals.

Meat inspection.  
34 Stat. 679, 1260.  
21 U. S. C. §§ 95,  
71-94, 96.  
Equine meat.

48 Stat. 241.  
31 U. S. C. § 725a.

Virus-Serum-Toxin Act.  
37 Stat. 832.  
21 U. S. C. §§ 151-158.

Marketing agreements with respect to hog cholera virus and serum.  
49 Stat. 781.  
7 U. S. C., Supp. III, §§ 851-855.

Packers and Stockyards Act.  
42 Stat. 159; 49 Stat. 648.  
7 U. S. C. §§ 181-229; Supp. III, §§ 218-218d.  
*Provisos.*  
Bonds from agencies and dealers.  
Suspension for violation.

Fee for inspecting brands.



charging and collection from owners of a reasonable fee for the inspection of brands appearing upon livestock subject to the provisions of the said Act for the purpose of determining the ownership of such livestock: *Provided further*, That such fee shall not be imposed except upon written request made to the Secretary of Agriculture by the Board of Livestock Commissioners, or duly organized livestock association of the States from which such livestock have originated or been shipped to market.

Contagious diseases of animals.

#### ERADICATION OF FOOT-AND-MOUTH AND OTHER CONTAGIOUS DISEASES OF ANIMALS

Emergency eradication of foot-and-mouth, etc., diseases.

Balances available.

Payment for destroyed animals.

Basis of appraisalment.

Limitation.

Eradication of European fowl pest, etc.

43 Stat. 682.

Personal services, D. C.

Vehicles.

Bureau of Dairy Industry.

Salaries and expenses.

43 Stat. 243.

7 U. S. C. §§ 401-404.

Administrative expenses.

In case of an emergency arising out of the existence of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious disease of animals, which, in the opinion of the Secretary of Agriculture, threatens the livestock industry of the country, he may expend in the city of Washington or elsewhere any unexpended balances of appropriations heretofore made for this purpose in the arrest and eradication of any such disease, including the payment of claims growing out of past and future purchases and destruction, in cooperation with the States, of animals affected by or exposed to, or of materials contaminated by or exposed to, any such disease, wherever found and irrespective of ownership, under like or substantially similar circumstances, when such owner has complied with all lawful quarantine regulations: *Provided*, That the payment for animals hereafter purchased may be made on appraisement based on the meat, dairy, or breeding value, but in case of appraisement based on breeding value no appraisement of any animal shall exceed three times its meat or dairy value, and, except in case of an extraordinary emergency, to be determined by the Secretary of Agriculture, the payment by the United States Government for any animals shall not exceed one-half of any such appraisements: *Provided further*, That the sum of \$5,000 of the unexpended balance of the appropriation of \$3,500,000 contained in the Second Deficiency Appropriation Act, fiscal year 1924, approved December 5, 1924, for the eradication of the foot-and-mouth disease and other contagious or infectious diseases of animals, is hereby made available during the fiscal year for which appropriations are herein made to enable the Secretary of Agriculture to control and eradicate the European fowl pest and similar diseases in poultry.

Total, Bureau of Animal Industry, \$14,136,731, of which amount not to exceed \$873,141 may be expended for departmental personal services in the District of Columbia, and not to exceed \$66,150 shall be available for the purchase of motor-propelled and horse-drawn passenger-carrying vehicles necessary in the conduct of field work outside the District of Columbia.

#### BUREAU OF DAIRY INDUSTRY

##### SALARIES AND EXPENSES

For carrying out the provisions of the Act approved May 29, 1924 (7 U. S. C. 401-404), establishing a Bureau of Dairying, for salaries in the city of Washington and elsewhere, and for all other necessary expenses, as follows:

General administrative expenses: For necessary expenses for general administrative purposes, including the salary of the Chief of Bureau and other personal services in the District of Columbia, \$70,495.

Dairy investigations: For conducting investigations, experiments, and demonstrations in dairy industry, cooperative investigations of the dairy industry in the various States, and inspection of renovated-butter factories, including repairs to buildings, not to exceed \$5,000 for the construction of buildings, \$646,910.

Total, Bureau of Dairy Industry, \$717,405, of which amount not to exceed \$343,510 may be expended for personal services in the District of Columbia.

Investigations, demonstrations, etc.

Personal services, D. C.

## BUREAU OF PLANT INDUSTRY

Bureau of Plant Industry.

### SALARIES AND EXPENSES

Salaries and expenses.

For the investigation of fruits, fruit trees, grain, cotton, tobacco, vegetables, grasses, forage, drug, medicinal, poisonous, fiber, and other plants and plant industries in cooperation with other branches of the Department, the State experiment stations, and practical farmers; for the erection of necessary farm buildings: *Provided*, That the cost of any building erected, except head houses connecting greenhouses, shall not exceed \$2,500; and for the employment of persons and means in the city of Washington and elsewhere required for the investigations, experiments, and demonstrations herein authorized, as follows:

Investigation of fruits, plants, products, etc.

*Proviso.*  
Cost limit for buildings.

General administrative expenses: For necessary expenses for general administrative purposes, including the salary of chief of bureau and other personal services in the District of Columbia, \$189,242.

Administrative expenses.

Arlington Farm: For continuing the necessary improvements to establish and maintain a general experiment farm and agricultural station on the Arlington estate, in the State of Virginia, in accordance with the provisions of the Act of Congress approved April 18, 1900 (31 Stat. 135, 136), \$49,414.

Arlington, Va., experimental farm, etc.

Botany: For investigation, improvement, and utilization of wild plants and grazing lands, and for determining the distribution of weeds and means of their control, \$76,635, of which \$40,000 shall be expended for scientific investigation concerning control and eradication of whitetop, bind weed, and other noxious weeds.

31 Stat. 135.

Wild plants and grazing lands.

Eradication of noxious weeds.

Cereal crops and diseases: For the investigation and improvement of cereals, including corn, and methods of cereal production and for the study and control of cereal diseases, and for the investigation of the cultivation and breeding of flax for seed purposes, including a study of flax diseases, and for the investigation and improvement of broomcorn and methods of broomcorn production, \$532,371.

Cereal crops and diseases, investigation, etc.

Flax, broomcorn, etc.

Cotton and other fiber crops and diseases: For investigation of the production of cotton and other fiber crops, including the improvement by cultural methods, breeding, and selection, fiber yield and quality, and the control of diseases, \$399,385, of which sum not less than \$14,700 shall be used for experimenting in Sea Island cotton, including its hybridization with other varieties.

Cotton, etc., production and diseases.

Sea Island cotton.

Drug and related plants: For the investigation, testing, and improvement of plants yielding drugs, spices, poisons, oils, and related products and byproducts, \$47,139.

Drug, etc., plants.

Dry-land agriculture: For the investigation and improvement of methods of crop production under subhumid, semiarid, or dry-land conditions, \$226,828: *Provided*, That no part of this appropriation shall be used for the establishment of any new field station.

Dry-land agriculture.

*Proviso.*  
New field stations forbidden.

Experimental greenhouse maintenance: For maintenance and operation of experimental greenhouses and adjacent experimental grounds and plots, \$77,372.

Experimental greenhouse maintenance.

Forage crops and diseases.

Forage crops and diseases: For the investigation and improvement of forage crops, including grasses, alfalfas, clovers, soybeans, lespedezas, vetches, cowpeas, field peas, and miscellaneous legumes; for the investigation of green-manure crops and cover crops; for investigations looking to the improvement of pastures; and for the investigation of forage-crop diseases and methods of control, \$294,993.

Forest pathology.

Forest pathology: For the investigation of diseases of forest and ornamental trees and shrubs, including a study of the nature and habits of the parasitic fungi causing the chestnut-tree bark disease, the white-pine blister rust, and other epidemic tree diseases, for the purpose of discovering new methods of control and applying methods of eradication or control already discovered, and including \$132,569 for investigations of diseases of forest trees and forest products, under section 3 of the Act approved May 22, 1928 (16 U. S. C. 581b), \$255,392.

45 Stat. 701.  
16 U. S. C. § 581b.

Fruit and vegetable crops and diseases.

Fruit and vegetable crops and diseases: For investigation and control of diseases, for improvement of methods of culture, propagation, breeding, selection, and related activities concerned with the production of fruits, nuts, vegetables, ornamentals, and related plants, for investigation of methods of harvesting, packing, shipping, storing and utilizing these products, and for studies of the physiological and related changes of such products during processes of marketing and while in commercial storage, \$1,289,182.

Genetics and biophysics.

Genetics and biophysics: For biophysical investigations in connection with the various lines of work herein authorized, \$31,675.

Mycology and disease survey.

Mycology and disease survey: For mycological collections and the maintenance of a plant-disease survey, \$45,818.

National Arboretum.

National Arboretum: For the maintenance and development of the National Arboretum established under the provisions of the Act entitled "An Act authorizing the Secretary of Agriculture to establish a National Arboretum, and for other purposes", approved March 4, 1927 (20 U. S. C. 191-194), including erection of buildings, employment of persons and means in the city of Washington and elsewhere, and traveling expenses of employees and advisory council, \$54,587, of which such amounts as may be necessary may be expended by contract or otherwise for the services of consulting landscape architects without reference to the Classification Act of 1923, as amended, or civil-service rules.

44 Stat. 1422.  
20 U. S. C. §§ 191-194.

Consulting landscape architects.

Nematology.

Nematology: For crop technological investigations, including the study of plant-infesting nematodes, \$48,961.

Plant exploration and introduction.

Plant exploration and introduction: For investigations in seed and plant introduction, including the study, collection, purchase, testing, propagation, and distribution of rare and valuable seeds, bulbs, trees, shrubs, vines, cuttings, and plants from foreign countries and from our possessions, and for experiments with reference to their introduction and cultivation in this country, \$200,933.

Plant nutrition.

Plant nutrition: For plant-nutrition investigations, \$16,024.

Rubber, etc., plants.

Rubber and other tropical plants: For investigation of crops, from tropical regions, and for the study and improvement of rubber plants by cultural methods, breeding, acclimatization, adaptation, and selection, and for investigation of their diseases, \$46,749.

Seed investigations.

Seed investigations: For studying and testing commercial seeds, including the testing of samples of seeds of grasses, clover, or alfalfa, and lawn-grass seeds secured in the open market, and where such samples are found to be adulterated or misbranded the results of the tests shall be published, together with the names of the persons by whom the seeds were offered for sale, and for carrying out the provisions of the Act approved August 24, 1912 (7 U. S. C. 111-114),

37 Stat. 506; 44 Stat. 325.  
7 U. S. C. §§ 111-116.

entitled "An Act to regulate foreign commerce by prohibiting the admission into the United States of certain adulterated grain and seeds unfit for seeding purposes", as amended by the Act approved April 26, 1926 (7 U. S. C. 111, 115, 116), \$72,293: *Provided*, That not to exceed \$250 of this amount may be used for meeting the share of the United States in the expenses of the International Seed Testing Congress in carrying out plans for correlating the work of the various adhering governments on problems relating to seed analysis or other subjects which the Congress may determine to be necessary in the interest of international seed trade.

*Proviso.*  
International Seed  
Testing Congress.

Soil-fertility investigations: For soil investigations into causes of infertility; maintenance of productivity; effects of soil composition, cultural methods, and fertilizers on yield and quality of crops; and the properties, composition, formation, and transformation of soil organic matter, \$168,457.

Soil-fertility investi-  
gations.

Soil microbiology investigations: For investigations of the micro-organisms of the soil and their activities, including the testing of samples procured in the open market, of cultures for inoculating legumes, other crops, or soil, and the publication of results, and if any such samples are found to be impure, nonviable, or misbranded, the results of the tests may be published, together with the names of the manufacturers and of the persons by whom the cultures were offered for sale, \$39,854.

Soil microbiology in-  
vestigations.

Publication of re-  
sults.

Sugar-plant investigations: For sugar-plant investigations, including studies of diseases and the improvement of sugar beets and sugar-beet seed, \$322,500.

Sugar-plant investi-  
gations.

Tobacco investigations: For the investigation and improvement of tobacco and the methods of tobacco production and handling, \$135,544.

Tobacco investi-  
gations.

Western irrigation agriculture: For investigations in connection with western irrigation agriculture, the utilization of lands reclaimed under the Reclamation Act, and other areas in the arid and semiarid regions, \$120,327.

Western irrigation  
agriculture.

Total, Bureau of Plant Industry, \$4,741,675, of which amount not to exceed \$1,504,573 may be expended for departmental personal services in the District of Columbia and not to exceed \$14,550 shall be available for the purchase of motor-propelled and horse-drawn passenger-carrying vehicles necessary in the conduct of field work outside the District of Columbia.

Personal services,  
D. C.

Vehicles.

## FOREST SERVICE

### SALARIES AND EXPENSES

For the employment of persons and means in the District of Columbia and elsewhere to enable the Secretary of Agriculture to experiment and to make and continue investigations and report on forestry, national forests, forest fires, and lumbering, but no part of this appropriation shall be used for any experiment or test made outside the jurisdiction of the United States; to advise the owners of woodlands as to the proper care of the same; to investigate and test American timber and timber trees and their uses, and methods for the preservative treatment of timber; to seek, through investigations and the planting of native and foreign species, suitable trees for the treeless regions; to erect necessary buildings: *Provided*, That the cost of any building purchased, erected, or as improved, exclusive of the cost of constructing a water-supply or sanitary system and of connecting the same with any such building, and exclusive of the cost of any tower upon which a lookout house may be erected, shall not exceed \$7,500, with the exception that any building erected, pur-

Forest Service.

Salaries and ex-  
penses.

Experiments and in-  
vestigations.

Restricted to United  
States.

*Provisos.*  
Cost of buildings.

Protection, etc., of national forests.

Care of fish and game.

Supplies, etc.

Warehouse maintenance, etc.

Administrative expenses.

36 Stat. 963.  
16 U. S. C. § 514.

National forest protection and management.  
Nurseries.

Aerial fire control.

Experimental forests.  
*Proviso.*  
Direct purchases.

chased, or acquired, the cost of which was \$7,500 or more, may be improved out of the appropriations made under this Act for the Forest Service by an amount not to exceed 2 per centum of the cost of such building as certified by the Secretary of Agriculture; to protect, administer, and improve the national forests, including tree planting and other measures to prevent erosion, drift, surface wash, soil waste, and the formation of floods, and to conserve water and including the payment of rewards under regulations of the Secretary of Agriculture for information leading to the arrest and conviction for violation of the laws and regulations relating to fires in or near national forests, or for the unlawful taking of, or injury to, Government property; to ascertain the natural conditions upon and utilize the national forests, to transport and care for fish and game supplied to stock the national forests or the waters therein; to collate, digest, report, and illustrate the results of experiments and investigations made by the Forest Service; to purchase law books, reference and technical books, and technical journals for officers of the Forest Service stationed outside of Washington, and for medical supplies and services and other assistance necessary for the immediate relief of artisans, laborers, and other employees engaged in any hazardous work under the Forest Service: *Provided further*, That the appropriations for the work of the Forest Service shall be available for meeting the expenses of warehouse maintenance and the procurement, care, and handling of supplies and materials stored therein for distribution to projects under the supervision of the Forest Service and for sale and distribution to other Government activities, the cost of such supplies and materials, including the cost of supervision, transportation, and handling, to be reimbursed to appropriations current at the time additional supplies and materials are produced for warehouse stocks from the appropriations chargeable with the cost of stock issued, as follows:

General administrative expenses: For necessary expenses for general administrative purposes, including the salary of the Chief Forester, for the necessary expenses of the National Forest Reservation Commission as authorized by section 14 of the Act of March 1, 1911 (16 U. S. C. 514), and for other personal services in the District of Columbia, \$607,500.

National forest protection and management: For the administration, protection, use, maintenance, improvement, and development of the national forests, including the establishment and maintenance of forest tree nurseries, including the procurement of tree seed and nursery stock by purchase, production, or otherwise, seeding and tree planting and the care of plantations and young growth; the maintenance and operation of aerial fire control by contract or otherwise, including the purchase of one airplane; the maintenance of roads and trails and the construction and maintenance of all other improvements necessary for the proper and economical administration, protection, development, and use of the national forests, including experimental forests: *Provided*, That where, in the opinion of the Secretary of Agriculture, direct purchases will be more economical than construction, improvements may be purchased; the construction, equipment, and maintenance of sanitary, fire preventive, and recreational facilities; control of destructive forest tree diseases and insects; timber cultural operations; development and application of fish and game management plans; propagation and transplanting of plants suitable for planting on semiarid portions of the national forests; estimating and appraising of timber and other resources and development and application of plans for their effective manage-

ment, sale, and use; examination, classification, surveying, and appraisal of land incident to effecting exchanges authorized by law and of lands within the boundaries of the national forests that may be opened to homestead settlement and entry under the Act of June 11, 1906 (16 U. S. C. 506-509), and the Act of August 10, 1912 (16 U. S. C. 506), as provided by the Act of March 4, 1913 (16 U. S. C. 512); and all expenses necessary for the use, maintenance, improvement, protection, and general administration of the national forests, including lands under contract for purchase or for the acquisition of which condemnation proceedings have been instituted under the Act of March 1, 1911 (16 U. S. C. 521), and the Act of June 7, 1924 (16 U. S. C. 471, 499, 505, 564-570), lands transferred by authority of the Secretary of Agriculture from the Resettlement Administration to the Forest Service, and lands transferred to the Forest Service under authority of the Bankhead-Jones Farm Tenant Act, §11,569,754: *Provided*, That \$200 of this appropriation shall be available for the expenses of properly caring for the graves of fire fighters buried at Wallace, Idaho; Newport, Washington; and Saint Maries, Idaho.

**Water rights:** For the investigation and establishment of water rights, including the purchase thereof or of lands or interests in lands or rights-of-way for use and protection of water rights necessary or beneficial in connection with the administration and public use of the national forests, \$20,000.

**Fighting forest fires:** For fighting and preventing forest fires on or threatening the national forests and unappropriated public forest lands, \$100,000, which amount shall be immediately available.

**Private forestry cooperation:** For cooperation with and advice to timberland owners and associations, wood-using industries or other appropriate agencies in the application of forest management principles to private forest lands, so as to attain sustained yield management, the conservation of the timber resource, the productivity of forest lands, and the stabilization of employment and economic continuance of forest industries, \$100,000.

**Forest research:** For forest research in accordance with the provisions of sections 1, 2, 7, 8, 9, and 10 of the Act entitled "An Act to insure adequate supplies of timber and other forest products for the people of the United States, to promote the full use for timber growing and other purposes of forest lands in the United States, including farm wood lots and those abandoned areas not suitable for agricultural production, and to secure the correlation and the most economical conduct of forest research in the Department of Agriculture through research in reforestation, timber growing, protection, utilization, forest economics, and related subjects", approved May 22, 1928, as amended (16 U. S. C. 581, 581a, 581f-581i), as follows:

**Forest management:** Fire, silvicultural, and other forest investigations and experiments under section 2, as amended, at forest experiment stations or elsewhere, \$648,403.

**Range investigations:** Investigations and experiments to develop improved methods of management of forest and other ranges under section 7, at forest or range experiment stations or elsewhere, \$225,935.

**Forest products:** Experiments, investigations, and tests of forest products under section 8, at the Forest Products Laboratory, or elsewhere, \$628,361.

**Forest survey:** A comprehensive forest survey under section 9, \$250,000.

**Forest economics:** Investigations in forest economics under section 10, \$121,295.

Lands opened to entry, etc.

34 Stat. 233; 37 Stat. 287, 842; 43 Stat. 1144.  
16 U. S. C. §§ 506-509, 512.

Purchase or acquisition.  
36 Stat. 963; 43 Stat. 655.  
16 U. S. C. §§ 521, 471, 499, 505, 564-570.

Lands transferred.  
50 Stat. 522.  
7 U. S. C., Supp. III, ch. 33.  
*Proviso.*  
Care of graves of fire fighters.

Water rights, investigations, etc.

Fighting forest fires.

Private forestry cooperation.

Forest research.

45 Stat. 699.  
16 U. S. C. §§ 581, 581a, 581f-581i.  
Forest management.  
45 Stat. 700.

Range investigations.  
45 Stat. 701.

Forest products.  
45 Stat. 701.

Forest survey.  
45 Stat. 702.

Forest economics.  
45 Stat. 702.

## Forest influences.

Forest influences: For investigations and experiments at forest experiment stations or elsewhere for determining and demonstrating the influence of natural vegetative cover characteristic of forest, range, or other wild land on water conservation, flood control, stream-flow regulation, erosion, climate, and maintenance of soil productivity, and for developing preventive and control measures therefor, \$139,152.

Aggregate; additional, from contributions.

43 Stat. 1132.

16 U. S. C. § 572.

38 Stat. 430; 45 Stat. 993.

16 U. S. C. § 498.

*Provides.*

Personal services, D. C.

International Union of Forest Research Stations, contribution.

In all, salaries and expenses, \$14,410,400; and in addition thereto there are hereby appropriated all moneys received as contributions toward cooperative work under the provisions of section 1 of the Act approved March 3, 1925 (16 U. S. C. 572), which funds shall be covered into the Treasury and constitute a part of the special funds provided by the Act of June 30, 1914 (16 U. S. C. 498): *Provided*, That not to exceed \$853,349 may be expended for departmental personal services in the District of Columbia: *Provided further*, That not to exceed \$1,000 may be expended for the contribution of the United States to the cost of the office of the secretariat of the International Union of Forest Research Stations.

## FOREST-FIRE COOPERATION

Cooperation with States, etc.

43 Stat. 653.

16 U. S. C. §§ 564-570.

Study of effect of tax laws and timber insurance investigation.

Personal services, D. C.

Supplies and equipment.

For cooperation with the various States or other appropriate agencies in forest-fire prevention and suppression and the protection of timbered and cut-over lands in accordance with the provisions of sections 1, 2, and 3 of the Act entitled "An Act to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote continuous production of timber on lands chiefly valuable therefor", approved June 7, 1924 (16 U. S. C. 564-570), as amended, including also the study of the effect of tax laws and the investigation of timber insurance as provided in section 3 of said Act, \$2,000,000, of which not to exceed \$50,000 shall be available for departmental personal services in the District of Columbia and not to exceed \$2,500 for the purchase of supplies and equipment required for the purposes of said Act in the District of Columbia.

## COOPERATIVE FARM FORESTRY

Cooperation with States, etc.

43 Stat. 654.

16 U. S. C. § 567.

*Provides.*

Local contributions.

New nurseries, restriction.

For cooperation with the various States in the procurement, production, and distribution of forest-tree seeds and plants in establishing windbreaks, shelterbelts, and farm wood lots upon denuded or nonforested lands within such cooperating States, under the provisions of section 4 of the Act entitled "An Act to provide for the protection of forest lands, for the reforestation of denuded areas, for the extension of national forests, and for other purposes, in order to promote the continuous production of timber on lands chiefly suitable therefor", approved June 7, 1924 (16 U. S. C. 567), and Acts supplementary thereto, \$100,000: *Provided*, That no part of the latter sum shall be expended in any State or Territory unless the State or Territory, or local subdivision thereof, or individuals, or associations contribute a sum equal to that to be allotted by the Government or make contributions other than money deemed by the Secretary of Agriculture to be the value equivalent thereof; which amount shall be available for the employment of persons and means in the District of Columbia and elsewhere: *Provided further*, That no part of this appropriation shall be used to establish new nurseries or to acquire land for the establishment of such new nurseries.

## ACQUISITION OF LANDS FOR NATIONAL FORESTS

For the acquisition of forest lands under the provisions of the Act approved March 1, 1911, as amended (16 U. S. C. 513-519, 521), including the transfer to the Office of the Solicitor of such funds for the employment by that office of persons and means in the District of Columbia and elsewhere as may be necessary in connection with the acquisition of such lands, \$3,000,000: *Provided*, That not to exceed \$112,500 of the sum appropriated in this paragraph may be expended for departmental personal services in the District of Columbia.

For the acquisition of land in accordance with the provisions of the Act entitled "An Act to facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Uinta and Wasatch National Forests, Utah", approved August 26, 1935 (49 Stat. 866), not to exceed \$50,000 from the entire receipts from the sale of natural resources or occupancy of public land within said national forests for the fiscal year 1938.

Total, Forest Service, \$19,560,400, of which amount not to exceed \$57,915 shall be available for the purchase of motor-propelled and horse-drawn passenger-carrying vehicles necessary in the conduct of field work outside the District of Columbia, and in addition thereto there is authorized for expenditure from funds provided for carrying out the provisions of the Federal Highway Act of November 9, 1921 (23 U. S. C. 21, 23), not to exceed \$7,087 for the purchase of motor-propelled passenger-carrying vehicles for use by the Forest Service in the construction and maintenance of national-forest roads.

Additional forest lands.

Acquisition, under Conservation Act.  
36 Stat. 961.  
16 U. S. C. §§ 513-519, 521.

*Proviso.*  
Personal services,  
D. C.

Uinta and Wasatch National Forests, Utah.  
Soil erosion control, etc.

49 Stat. 866.

Vehicles, field work.

42 Stat. 217.  
23 U. S. C. §§ 21, 23.

## BUREAU OF CHEMISTRY AND SOILS

## SALARIES AND EXPENSES

For investigations, experiments, and demonstrations hereinafter authorized, independently or in cooperation with other branches of the Department of Agriculture, other departments or agencies of the Federal Government, States, State agricultural experiment stations, universities and other State agencies and institutions, counties, municipalities, business, or other organizations and corporations, individuals, associations, and scientific societies, including the employment of necessary persons and means in the city of Washington and elsewhere; and for erection, alteration, and repair of buildings outside the District of Columbia at a total cost not to exceed \$5,000, as follows:

General administrative expenses: For necessary expenses for general administrative purposes, including the salary of Chief of Bureau and other personal services in the District of Columbia, \$90,200.

Agricultural chemical investigations: For conducting the investigations contemplated by the Act of May 15, 1862 (5 U. S. C. 511, 512), relating to the application of chemistry to agriculture; for the biological, chemical, physical, microscopical, and technological investigation of foods, feeds, drugs, plant and animal products, and substances used in the manufacture thereof; for investigations of the physiological effects and for the pharmacological testing of such products and of insecticides; for the investigation and development of methods for the manufacture of sugars, sugar sirups and starches and the utilization of new agricultural materials for such purposes; for the technological investigation of the utilization of fruits and vegetables and for frozen pack investigations; for the investigation of chemicals for the control of noxious weeds and plants; and to

Bureau of Chemistry and Soils.

Salaries and expenses.

Investigations, demonstrations, etc.

Personal services.

General administrative expenses.

Agricultural chemical investigations.  
12 Stat. 387.  
5 U. S. C. §§ 511, 512.  
Biological, etc., investigations.

Investigation, etc., of methods of sugar manufacture, etc.



cooperate with associations and scientific societies in the development of methods of analysis, \$372,500.

Industrial utilization of farm products and byproducts.

Industrial utilization of farm products and byproducts: For the investigation, development, experimental demonstration and application of methods for the industrial utilization of agricultural products, waste, and byproducts, and products made therefrom, except as otherwise provided for in this Act, by the application of chemical, physical, and technological methods, including the changes produced by micro-organisms such as yeasts, bacteria, molds, and fungi; the utilization for color, medicinal, and technical purposes of substances grown or produced in the United States, \$236,200, of which not to exceed \$25,000 shall be available for the construction and equipment of an experimental laboratory building, to be erected on land donated to the United States.

Agricultural fires and explosive dusts.

Agricultural fires and explosive dusts: For the investigation, development, experimental demonstration, and application of methods for the prevention and control of dust explosions and fires during the harvesting, handling, milling, processing, fumigating, and storing of agricultural products, and for other dust explosions and resulting fires not otherwise provided for, including fires in grain mills and elevators, cotton gins, cotton-oil mills, and other structures; the heating, charring, and ignition of agricultural products; fires on farms and in rural communities and other explosions and fires in connection with farm and agricultural operations, \$40,000.

Naval stores investigations.

Naval stores investigations: For the investigation of naval stores (turpentine and rosin) and their components; the investigation and experimental demonstration of improved equipment, methods, or processes of preparing naval stores; the weighing, storing, handling, transportation, and utilization of naval stores; and for the assembling and compilation of data on production, distribution, and consumption of turpentine and rosin, pursuant to the Act of August 15, 1935 (5 U. S. C. 556b), \$79,400.

Turpentine and rosin, data.  
49 Stat. 653.  
5 U. S. C., Supp. III, § 556b.

Soil survey.

Soil survey: For the investigation of soils and their origin, for survey of the extent of classes and types, and for indicating upon maps and plats, by coloring or otherwise, the results of such investigations and surveys, \$298,708.

Soil chemical and physical investigations.

Soil chemical and physical investigations: For chemical, physical, and physical-chemical investigations of soil types, soil composition, and soil minerals, the soil solution, solubility of soil, and all chemical and physical properties of soils in their relation to soil formation, soil texture, erosibility, and soil productivity, \$76,700.

Fertilizer investigations.

Fertilizer investigations: For investigations within the United States of fertilizers, fertilizer ingredients, including phosphoric acid and potash, and other soil amendments and their suitability for agricultural use, \$263,800.

Personal services, D. C.

Total, Bureau of Chemistry<sup>1</sup> and Soils, \$1,457,508, of which amount not to exceed \$1,003,541 may be expended for personal services in the District of Columbia, and not to exceed \$1,900 shall be available for the purchase of motor-propelled and horse-drawn passenger-carrying vehicles necessary in the conduct of field work outside the District of Columbia.

Vehicles.

Bureau of Entomology and Plant Quarantine.  
Salaries and expenses.

## BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE

### SALARIES AND EXPENSES

Investigations, etc.

For necessary expenses connected with investigations, experiments, and demonstrations for the promotion of economic entomology, for

<sup>1</sup> So in original.

investigating and ascertaining the best means of destroying insects and related pests injurious to agriculture, for investigating and importing useful and beneficial insects and bacterial, fungal, and other diseases of insects and related pests, for investigating and ascertaining the best means of destroying insects affecting man and animals, to enable the Secretary of Agriculture to carry into effect the provisions of the Plant Quarantine Act of August 20, 1912, as amended, to conduct other activities hereinafter authorized, and for the eradication, control, and prevention of spread of injurious insects and plant pests, independently or in cooperation with other branches of the Federal Government, States, counties, municipalities, corporations, agencies, individuals, or with foreign governments; including the employment of necessary persons and means in the District of Columbia and elsewhere, rent, construction, or repair of necessary buildings outside the District of Columbia: *Provided*, That, unless otherwise specifically provided, the cost for the construction of any building shall not exceed \$1,500 and the total amount expended for such construction in any one year shall not exceed \$7,000, as follows:

General administrative expenses: For general administrative purposes, including the salary of Chief of Bureau and other personal services, \$166,280.

Fruit insects: For insects affecting fruits, grapes, and nuts, \$428,600.

Japanese beetle control: For the control and prevention of spread of the Japanese beetle, \$395,000.

Mexican fruitfly control: For the control and prevention of spread of the Mexican fruitfly, including necessary surveys and control operations in Mexico in cooperation with the Mexican Government or local Mexican authorities, \$160,460.

Citrus canker eradication: For determining and applying such methods of eradication or control of the disease of citrus trees known as "citrus canker" as in the judgment of the Secretary of Agriculture may be necessary, including cooperation with such authorities of the States concerned, organizations of growers, or individuals, as he may deem necessary to accomplish such purposes, \$13,485: *Provided*, That no part of the money herein appropriated shall be used to pay the cost or value of trees or other property injured or destroyed.

Sweetpotato weevil control: For the determination and application of such methods of control for sweetpotato weevils as, in the judgment of the Secretary of Agriculture, may be necessary, \$75,000: *Provided*, That, in the discretion of the Secretary of Agriculture, no part of this appropriation shall be expended for the control of sweetpotato weevil in any State until such State has provided cooperation necessary to accomplish this purpose: *Provided further*, That no part of this appropriation shall be used to pay the cost or value of farm animals, farm crops, or other property injured or destroyed.

Phony peach and peach mosaic eradication: For determining and applying such methods of eradication, control, and prevention of spread of the diseases of peach trees known as "phony peach" and "peach mosaic" as in the judgment of the Secretary of Agriculture may be necessary, including cooperation with such authorities of the States concerned, organizations of growers, or individuals, as he may deem necessary to accomplish such purposes, including the certification of products out of the infested areas to meet the requirements of State quarantines, \$89,800: *Provided*, That no part of the money herein appropriated shall be used to pay the cost or value of trees or other property injured or destroyed.

Plant Quarantine Act, enforcement.  
37 Stat. 315.  
7 U. S. C. §§ 151-167.

*Proviso.*  
Cost of buildings.

General administrative expenses.

Fruit insects.

Japanese beetle control.

Mexican fruitfly control.

Citrus canker eradication.

*Proviso.*  
No indemnity for destroyed, etc., property.

Sweetpotato weevil control.

*Provisos.*  
State cooperation.

No indemnity for destroyed, etc., property.

Phony peach, etc., eradication.

*Proviso.*  
No indemnity for destroyed, etc., property.

Forest insects.  
45 Stat. 701.  
16 U. S. C. § 581c.

Ornamental trees  
and shrubs.  
*Proviso.*  
Matching by State  
funds.  
Gypsy and brown-  
tail moth control.

Blister rust control.

*Proviso.*  
No indemnity for  
destroyed, etc., prop-  
erty.

Dutch elm disease  
eradication.

*Provisos.*  
State, etc., contribu-  
tions.

No indemnity for  
destroyed, etc., prop-  
erty.

Truck crop and gar-  
den insects.

Cereal and forage  
insects.

European corn borer  
control.

Barberry eradica-  
tion.

*Provisos.*  
State, etc., contri-  
butions.

No indemnity for  
destroyed, etc., prop-  
erty.

**Forest insects:** For insects affecting forests and forest products, under section 4 of the Act approved May 22, 1928 (16 U. S. C. 581c), entitled "An Act to insure adequate supplies of timber and other forest products for the people of the United States, to promote the full use for timber growing and other purposes of forest lands in the United States, including farm wood lots and those abandoned areas not suitable for agricultural production, and to secure the correlation and the most economical conduct of forest research in the Department of Agriculture, through research in reforestation, timber growing, protection, utilization, forest economics, and related subjects", and for insects affecting ornamental trees and shrubs, \$253,100: *Provided*, That \$40,000 of this amount shall only be available for expenditure when matched by State funds.

**Gypsy and brown-tail moth control:** For the control and prevention of spread of the gypsy and brown-tail moths, \$375,000.

**Blister rust control:** For applying such methods of eradication, control, and prevention of spread of the white pine blister rust as in the judgment of the Secretary of Agriculture may be necessary to accomplish such purposes, and in the discretion of the Secretary of Agriculture no expenditures shall be made for these purposes until a sum or sums at least equal to such expenditures shall have been appropriated, subscribed, or contributed by State, county, or local authorities, or by individuals or organizations concerned, \$300,000: *Provided*, That no part of this appropriation shall be used to pay the cost or value of trees or other property injured or destroyed.

**Dutch elm disease eradication:** For determining and applying methods of eradication, control, and prevention of spread of the disease of elm trees known as "Dutch elm disease", \$378,489: *Provided*, That, in the discretion of the Secretary of Agriculture, no expenditures from this appropriation shall be made for these purposes until a sum or sums at least equal to such expenditures shall have been appropriated, subscribed, or contributed by State, county, or local authorities, or by individuals, or organizations concerned: *Provided further*, That no part of this appropriation shall be used to pay the cost or value of trees or other property injured or destroyed.

**Truck crop and garden insects:** For insects affecting truck crops, ornamental, and garden plants, including tobacco, sugar beets, and greenhouse and bulbous crops, \$461,580, of which \$80,000 shall be immediately available for construction and equipment of laboratory and service buildings and necessary facilities.

**Cereal and forage insects:** For insects affecting cereal and forage crops, including sugarcane and rice, and including research on the European corn borer, \$363,669.

**European corn borer control:** For the control and prevention of spread of the European corn borer and for the certification of products out of the infested areas to meet the requirements of State quarantines on account of the European corn borer, \$32,939.

**Barberry eradication:** For the eradication of the common barberry and for applying such other methods of eradication, control, and prevention of spread of cereal rusts as in the judgment of the Secretary of Agriculture may be necessary to accomplish such purposes, \$200,000: *Provided*, That, in the discretion of the Secretary of Agriculture, no expenditures from this appropriation shall be made for these purposes until a sum or sums at least equal to such expenditures shall have been appropriated, subscribed, or contributed by States, counties, or local authorities, or by individuals or organizations for the accomplishment of such purposes: *Provided further*, That no part of the money herein appropriated shall be used to pay the cost or value of property injured or destroyed.

Cotton insects: For insects affecting cotton, \$144,544.

Pink bollworm control: For the control and prevention of spread of the pink bollworm, including the establishment of such cotton-free areas as may be necessary to stamp out any infestation, and for necessary surveys and control operations in Mexico in cooperation with the Mexican Government or local Mexican authorities, \$446,800.

Thurberia weevil control: For the control and prevention of spread of the Thurberia weevil, \$2,808.

Bee culture: For bee culture and apiary management, \$83,000.

Insects affecting man and animals: For insects affecting man, household possessions, and animals, \$191,100.

Insect pest survey and identification: For the identification and classification of insects, including taxonomic, morphological, and related phases of insect pest control and the maintenance of an insect pest survey for the collection and dissemination of information to Federal, State, and other agencies concerned with insect pest control, \$149,790.

Foreign parasites: For administrative expenses in connection with the introduction of natural enemies of injurious insects and related pests and for the exchange with other countries of useful and beneficial insects and other arthropods, \$38,000.

Control investigations: For developing equipment or apparatus to aid in enforcing plant quarantines, eradication and control of plant pests, determining methods of disinfecting plants and plant products to eliminate injurious pests, determining the toxicity of insecticides, and related phases of insect-pest control, \$72,518.

Insecticide and fungicide investigations: For the investigation and development of methods of manufacturing insecticides and fungicides, and for investigating chemical problems relating to the composition, action, and application of insecticides and fungicides, \$123,984.

Transit inspection: For the inspection in transit or otherwise of articles quarantined under the Act of August 20, 1912 (7 U. S. C. 161, 164a), as amended, and for the interception and disposition of materials found to have been transported interstate in violation of quarantines promulgated thereunder, \$44,059.

Foreign plant quarantines: For enforcement of foreign plant quarantines, at the port of entry and port of export, and to prevent the movement of cotton and cottonseed from Mexico into the United States, including the regulation of the entry into the United States of railway cars and other vehicles, and freight, express, baggage, or other materials from Mexico, and the inspection, cleaning, and disinfection thereof, including construction and repair of necessary buildings, plants, and equipment, for the fumigation, disinfection, or cleaning of products, railway cars, or other vehicles entering the United States from Mexico, \$680,000: *Provided*, That any moneys received in payment of charges fixed by the Secretary of Agriculture on account of such cleaning and disinfection shall be covered into the Treasury as miscellaneous receipts.

Certification of exports: For the inspection, under such rules and regulations as the Secretary of Agriculture may prescribe, of domestic plants and plant products when offered for export and to certify to shippers and interested parties as to the freedom of such products from injurious plant diseases and insect pests according to the sanitary requirements of the foreign countries affected and to make such reasonable charges and to use such means as may be necessary to accomplish this object, \$31,862: *Provided*, That moneys received on account of such inspection and certification shall be covered into the Treasury as miscellaneous receipts.

Total, Bureau of Entomology and Plant Quarantine, \$5,701,867, of which amount not to exceed \$856,710 may be expended for per-

Cotton insects.

Pink bollworm control.

Cooperation with Mexican Government.

Thurberia weevil control.

Bee culture.

Insects affecting man and animals.

Insect pest survey and identification.

Foreign parasites.

Control investigations.

Insecticide and fungicide investigations.

Transit inspection.  
37 Stat. 315.  
7 U. S. C. §§ 161,  
164a.

Foreign plant quarantines.

Mexican cotton, etc.

Inspection, cleaning etc.

*Proviso.*  
Receipts covered into Treasury.

Certification of exports.

*Proviso.*  
Receipts covered into Treasury.

Personal services, D. C.

## Vehicles.

sonal services in the District of Columbia, and not to exceed \$46,880 shall be available for the purchase of motor-propelled and horse-drawn passenger-carrying vehicles necessary in the conduct of field work outside the District of Columbia.

## Bureau of Biological Survey.

## BUREAU OF BIOLOGICAL SURVEY

## SALARIES AND EXPENSES

## Salaries and expenses.

For the employment of persons and means in the city of Washington and elsewhere, including the purchase of printed bags, tags, and labels, without regard to existing laws applicable to public printing, and all other expenses necessary in conducting investigations and carrying out the work of the Bureau, including cooperation with Federal, State, county, or other agencies or with farm bureaus, organizations, or individuals, as follows:

## General administrative expenses.

General administrative expenses: For necessary expenses for general administrative purposes, including the salary of Chief of Bureau and other personal services in the District of Columbia, \$110,000.

## Food habits of birds and animals.

Food habits of birds and animals: For investigating the food habits and economic value of North American birds and animals in relation to agriculture, horticulture, and forestry, including methods of conserving beneficial and controlling injurious birds and animals, \$68,140.

## Fur resources investigations.

Fur resources investigations: For investigations, experiments, demonstrations, and cooperation in connection with the production and utilization of animals the pelts of which are used commercially for fur, including the erection of necessary buildings and other structures, \$91,000.

## Biological investigations.

Biological investigations: For biological investigations, including the relations, habits, geographic distribution, and migration of animals and plants, and the preparation of maps of the life zones, and including \$30,738 for investigations of the relations of wild animal life to forests, under section 5 of the Act approved May 22, 1928 (16 U. S. C. 581d), and for investigations, experiments, and demonstrations in the establishment, improvement, and increase of the reindeer industry and of musk oxen and mountain sheep in Alaska, including the erection of necessary buildings and other structures, \$171,149.

## Predatory animals, etc., control.

Control of predatory animals and injurious rodents: For investigations, demonstrations, and cooperation in destroying animals injurious to agriculture, horticulture, forestry, animal husbandry, and wild game; and in protecting stock and other domestic animals through the suppression of rabies and other diseases in predatory wild animals; and for construction, repairs, additions, and installations in and about the grounds and buildings of the game-management supply depot and laboratory at Pocatello, Idaho, including purchase, transportation, and handling of supplies and materials for distribution from said depot to other projects, in accordance with the provisions of the Act approved June 24, 1936 (16 U. S. C. 667), \$650,000.

## Pocatello, Idaho, depot and laboratory.

49 Stat. 1913.  
16 U. S. C., Supp. III, § 667.

## Protection of migratory birds.

40 Stat. 755; 49 Stat. 1556.  
16 U. S. C. §§ 703-711; Supp. III, §§ 703-709a.

39 Stat. 1702.

## Cooperation with local authorities.

Protection of migratory birds: For all necessary expenses for enforcing the provisions of the Migratory Bird Treaty Act of July 3, 1918 (16 U. S. C. 703-711), as amended by the Act of June 20, 1936 (16 U. S. C. 703-709a), to carry into effect the treaty with Great Britain for the protection of birds migrating between the United States and Canada (39 Stat., pt. 2, 1702), and the convention between the United States and the United Mexican States for the protection of migratory birds and game mammals; for cooperation with local authorities in the protection of migratory birds, and for necessary investigations connected therewith; for the enforcement of sections

241, 242, 243, and 244 of the Act approved March 4, 1909 (18 U. S. C. 391-394), entitled "An Act to codify, revise, and amend the penal laws of the United States", as amended by title II of the Act approved June 15, 1935 (18 U. S. C. 392-394), and for the enforcement of section 1 of the Act approved May 25, 1900 (16 U. S. C. 701), entitled "An Act to enlarge the powers of the Department of Agriculture, prohibit the transportation by interstate commerce of game killed in violation of local laws, and for other purposes", including all necessary investigations in connection therewith, \$315,000, of which not to exceed \$10,000 may be expended in the discretion of the Secretary of Agriculture for the purpose of securing information concerning violations of the laws for the enforcement of which this appropriation is made available.

**Enforcement of Alaska game law:** For the enforcement of the provisions of the Alaska game law, approved January 13, 1925, as amended by the Act of February 14, 1931 (48 U. S. C. 192-211), \$130,798.

**Maintenance of mammal and bird reservations:** For the maintenance of the Montana National Bison Range, the Upper Mississippi River Wildlife Refuge, the Bear River Migratory Bird Refuge, the Wichita Mountains Wildlife Refuge, and other reservations, and for the maintenance of game introduced into suitable localities on public lands, under supervision of the Biological Survey, including construction of fencing, wardens' quarters, shelters for animals, landings, roads, trails, bridges, ditches, telephone lines, rockwork, bulkheads, and other improvements necessary for the economical administration and protection of the reservations; for the enforcement of section 84 of the Act approved March 4, 1909 (18 U. S. C. 145), entitled "An Act to codify, revise, and amend the penal laws of the United States", and Acts amendatory thereto, and section 10 of the Migratory Bird Conservation Act of February 18, 1929 (16 U. S. C. 715i); for the purchase, capture, and transportation of game for national reservations; and for the maintenance of the herd of long-horned cattle on the Wichita Mountains Wildlife Refuge, \$447,500.

**Migratory bird conservation refuges:** For carrying into effect the provisions of the Act entitled "An Act to more effectively meet the obligations of the United States under the migratory-bird treaty with Great Britain (39 Stat., pt. 2, 1702) by lessening the dangers threatening migratory game birds from drainage and other causes by the acquisition of areas of land and water to furnish in perpetuity reservation for the adequate protection of such birds; and authorizing appropriations for the establishment of such areas, their maintenance and improvement, and for other purposes", approved February 18, 1929, as amended by title III of the Act approved June 15, 1935 (16 U. S. C. 715-715r), \$79,753, authorized by section 12 of the Act, which sum is a part of the remaining \$490,640 of the \$1,000,000 authorized to be appropriated for the fiscal year ending June 30, 1933.

In all, salaries and expenses \$2,063,340.

#### MIGRATORY BIRD CONSERVATION FUND

For carrying into effect the provisions of section 4 of the Act entitled "An Act to supplement and support the Migratory Bird Conservation Act by providing funds for the acquisition of areas for use as migratory-bird sanctuaries, refuges, and breeding grounds, for developing and administering such areas, for the protection of certain migratory birds, for the enforcement of the Migratory Bird Treaty Act and regulations thereunder, and for other purposes",

35 Stat. 1137.  
18 U. S. C. §§ 391-394.  
Traffic in game and other wild life, etc.  
49 Stat. 380.  
18 U. S. C., Supp. 111, §§ 392-394.  
Transportation of illegally-killed birds.  
31 Stat. 187.  
16 U. S. C. § 701.

Securing information of law violations.

Enforcement of Alaska game law.  
43 Stat. 739; 46 Stat. 1111.  
48 U. S. C. §§ 192-211.

Mammal and bird reservations.  
*Post*, p. 1126.

Taking eggs on bird breeding grounds.  
35 Stat. 1104; 43 Stat. 98.  
18 U. S. C. § 145.  
Prohibited acts, law enforcement.  
45 Stat. 1224.  
16 U. S. C. § 715i.

Long-horned cattle, Wichita Mountains Wildlife Refuge.

Migratory bird conservation refuges.

39 Stat. 1702.

45 Stat. 1222; 49 Stat. 381.  
16 U. S. C. §§ 715-715r; Supp. 111, §§ 715d-1-715e-1.

Migratory bird conservation fund.

48 Stat. 451.  
16 U. S. C. §§ 718-718h.

49 Stat. 378.  
16 U. S. C., Supp. III, §§ 718a-718e.  
Receipts from stamp sales.  
Balance available.

*Proviso.*  
Advance of funds from Treasury; reimbursement.

Wildlife restoration.

Federal aid to States.

50 Stat. 917.  
16 U. S. C., Supp. III, §§ 669-669j.

Personal services, D. C.

Vehicles for field work.

*Proviso.*  
Fund available for maintenance, etc.  
49 Stat. 384.  
16 U. S. C., Supp. III, § 715k-1.

Bureau of Public Roads.

General administrative expenses.

Road making experiments, etc.

39 Stat. 355; 42 Stat. 212.  
23 U. S. C. §§ 1-25.

Federal-aid highway system.

Construction of rural post roads.

39 Stat. 355; 49 Stat. 1519.  
23 U. S. C. §§ 1-25; Supp. III, ch. I.

approved March 16, 1934 (16 U. S. C. 718-718h), as amended by an Act entitled "An Act to amend the Migratory Bird Hunting Stamp Act of March 16, 1934, and certain other Acts relating to game and other wildlife, administered by the Department of Agriculture, and for other purposes", approved June 15, 1935 (16 U. S. C. 718a-718e), an amount equal to the sum received during the fiscal year 1939 from the proceeds from the sale of stamps, to be warranted monthly; and in addition thereto an amount equal to the unobligated balance on June 30, 1938, of the total of the proceeds received from the sale of stamps prior to July 1, 1938: *Provided*, That the sum of \$125,000 shall be advanced from the general fund of the Treasury on the first day of the fiscal year to the foregoing appropriation, to be returned to the surplus fund of the Treasury when the first \$125,000 of revenue from the sale of stamps has been received and warranted for the fiscal year 1939.

#### FEDERAL AID IN WILDLIFE RESTORATION

For carrying out the provisions of the Act entitled "An Act to provide that the United States shall aid the States in wildlife restoration projects, and for other purposes", approved September 2, 1937 (50 Stat. 917), \$1,000,000: *Provided*, That expenditures hereunder shall not exceed the aggregate receipts covered into the Treasury under the provisions of said Act.

Total, Bureau of Biological Survey, \$3,188,340, of which amount not to exceed \$640,700 may be expended for personal services in the District of Columbia, and not to exceed \$54,185, shall be available for the purchase of motor-propelled passenger-carrying vehicles necessary in the conduct of field work outside the District of Columbia: *Provided*, That the appropriation of \$6,000,000 contained in title VII of the Act of June 15, 1935 (16 U. S. C. 715k-1), shall be available for the maintenance, repair, and operation of motor-propelled passenger-carrying vehicles.

#### BUREAU OF PUBLIC ROADS

General administrative expenses: For the employment of persons and means in the city of Washington and elsewhere for the purpose of conducting research and investigational studies, either independently or in cooperation with State highway departments, or other agencies, including studies of highway administration, legislation, finance, economics, transport, construction, operation, maintenance, utilization, and safety, and of street and highway traffic control; investigations and experiments in the best methods of road making, especially by the use of local materials; and studies of types of mechanical plants and appliances used for road building and maintenance and of methods of road repair and maintenance suited to the needs of different localities; for maintenance and repairs of experimental highways; for furnishing expert advice on these subjects; for collating, reporting, and illustrating the results of same; and for preparing, publishing, and distributing bulletins and reports; to be paid from any moneys available from the administrative funds provided under the Act of July 11, 1916 (39 Stat. 355-359), as amended, or as otherwise provided.

#### FEDERAL-AID HIGHWAY SYSTEM

For carrying out the provisions of the Act entitled "An Act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes", approved July 11, 1916 (39 Stat. 355-359), and all Acts amendatory thereof and supplementary thereto, to be expended in accordance with the provisions of

said Act, as amended, including not to exceed \$1,120,000 for departmental personal services in the District of Columbia, \$125,000,000, to be immediately available and to remain available until expended, which sum is the amount authorized to be appropriated for the fiscal year 1938, by section 1 of the Act approved June 16, 1936 (49 Stat. 1519–1520): *Provided*, That none of the money herein appropriated shall be paid to any State on account of any project on which convict labor shall be employed, except this provision shall not apply to convict labor performed by convicts on parole or probation: *Provided further*, That not to exceed \$45,000 of the funds provided for carrying out the provisions of the Federal Highway Act of November 9, 1921 (23 U. S. C. 21, 23), shall be available for the purchase of motor-propelled passenger-carrying vehicles necessary for carrying out the provisions of said Act, including the replacement of not to exceed one such vehicle for use in the administrative work of the Bureau of Public Roads in the District of Columbia at a cost, including the exchange value of the vehicle to be replaced, not to exceed \$1,200: *Provided further*, That, during the fiscal year 1939, whenever performing authorized engineering or other services in connection with the survey, construction, and maintenance, or improvement of roads for other Government agencies the charge for such services may include depreciation on engineering and road-building equipment used, and the amounts received on account of such charges shall be credited to the appropriation concerned: *Provided further*, That during the fiscal year 1939 the appropriations for the work of the Bureau of Public Roads shall be available for meeting the expenses of warehouse maintenance and the procurement, care, and handling of supplies, materials, and equipment stored therein for distribution to projects under the supervision of the Bureau of Public Roads, and for sale and distribution to other Government activities, the cost of such supplies and materials or the value of such equipment (including the cost of transportation and handling) to be reimbursed to appropriations current at the time additional supplies, materials, or equipment are procured, from the appropriation chargeable with the cost or value of such supplies, materials, or equipment: *Provided further*, That the appropriations available to the Bureau of Public Roads may be used in emergency for medical supplies and services and other assistance necessary for the immediate relief of employees engaged on hazardous work under that Bureau.

*Provisos.*  
Convict labor.

Vehicles.  
42 Stat. 217.  
23 U. S. C. §§ 21, 23.

Replacements.

Depreciation on engineering, etc., equipment.

Warehouse maintenance, etc.

Reimbursement for cost of material, etc.

Medical supplies, etc., in emergencies.

#### FEDERAL-AID SECONDARY OR FEEDER ROADS

For secondary or feeder roads, including farm-to-market roads, rural free delivery mail roads, and public-school bus routes, \$20,000,000, to be immediately available and to remain available until expended, which sum is the remainder of the \$25,000,000 authorized to be appropriated for the fiscal year 1938 by section 7 of the Act approved June 16, 1936 (49 Stat. 1521).

Federal-aid secondary or feeder roads.

49 Stat. 1521.

#### ELIMINATION OF GRADE CROSSINGS

For the elimination of hazards to life at railroad grade crossings, including the separation or protection of grades at crossings, the reconstruction of existing railroad grade-crossing structures, and the relocation of highways to eliminate grade crossings, \$40,000,000, to be immediately available and to remain available until expended, which sum is the remainder of the \$50,000,000 authorized to be appropriated for the fiscal year 1938 by section 8 of the Act approved June 16, 1936 (49 Stat. 1521).

Elimination of railroad grade crossings.

49 Stat. 1521.



Public-lands high-  
ways.

Survey, construc-  
tion, etc.

46 Stat. 805.  
23 U. S. C. § 3.

49 Stat. 1520.

Bureau of Agricul-  
tural Engineering.

Salaries and ex-  
penses.

General administra-  
tive expenses.

Agricultural engi-  
neering investigations.

Cotton ginning in-  
vestigations.  
46 Stat. 248.  
7 U. S. C. §§ 424, 425.

Personal services.

Personal services,  
D. C.

Vehicles for field  
work.

Bureau of Agricul-  
tural Economics.

Salaries and ex-  
penses.

#### PUBLIC-LANDS HIGHWAYS

For the survey, construction, reconstruction, and maintenance of main roads through unappropriated or unreserved public lands, non-taxable Indian lands, or other Federal reservations other than the forest reservations, under the provisions of the Act of June 24, 1930 (23 U. S. C. 3), \$2,500,000, to be immediately available and to remain available until expended, which sum is the amount authorized for the fiscal year 1939 by section 3 of the Act approved June 16, 1936 (49 Stat. 1520).

Total, Bureau of Public Roads, \$187,500,000.

#### BUREAU OF AGRICULTURAL ENGINEERING

##### SALARIES AND EXPENSES

General administrative expenses: For necessary expenses for general administrative purposes, including the salary of Chief of Bureau and other personal services in the District of Columbia, \$37,600.

Agricultural engineering investigations: For investigations, experiments, and demonstrations involving the application of engineering principles to agriculture, independently or in cooperation with Federal, State, county, or other public agencies or with farm bureaus, organizations, or individuals; for investigating and reporting upon the utilization of water in farm irrigation and the best methods to apply in practice; the different kinds of farm power and appliances; the flow of farm water in ditches, pipes, and other conduits; the duty, apportionment, and measurement of farm irrigation water; the customs, regulations, and laws affecting farm irrigation; snow surveys and forecasts of farm irrigation water supplies, and the drainage of farms and of swamps and other wet lands which may be made available for agricultural purposes; for preparing plans for the removal of surplus farm water by drainage; for developing equipment for farm irrigation and drainage; for investigating and reporting upon farm domestic water supply and drainage disposal, upon the design and construction of farm buildings and their appurtenances and of buildings for processing and storing farm products; upon farm power and mechanical farm equipment and rural electrification; upon the engineering problems relating to the processing, transportation, and storage of perishable and other agricultural products; and upon the engineering problems involved in adapting physical characteristics of farm land to the use of modern farm machinery; for investigations of cotton ginning under the Act approved April 19, 1930 (7 U. S. C. 424, 425); for giving expert advice and assistance in agricultural engineering; for collating, reporting, and illustrating the results of investigations and preparing, publishing, and distributing bulletins, plans, and reports; including the employment of persons and means in the District of Columbia and elsewhere, and not to exceed \$10,000 for construction of buildings, \$472,400.

Total, Bureau of Agricultural Engineering, \$510,000, of which amount not to exceed \$185,955 may be expended for personal services in the District of Columbia, and not to exceed \$4,375 shall be available for the purchase of motor-propelled and horse-drawn passenger-carrying vehicles necessary in the conduct of field work outside the District of Columbia.

#### BUREAU OF AGRICULTURAL ECONOMICS

##### SALARIES AND EXPENSES

For the employment of such persons and means in the city of Washington and elsewhere as may be necessary in conducting investigations, experiments, and demonstrations as follows:

General administrative expenses: For necessary expenses for general administrative purposes, including the salary of Chief of Bureau and other personal services in the District of Columbia, \$236,306.

Farm management and practice: To investigate and encourage the adoption of improved methods of farm management and farm practice, and for ascertaining the cost of production of the principal staple agricultural products, \$346,580.

Marketing and distributing farm products: For acquiring and diffusing among the people of the United States useful information on subjects connected with the marketing, handling, utilization, grading, transportation, and distributing of farm and nonmanufactured food products and the purchasing of farm supplies, including the demonstration and promotion of the use of uniform standards of classification of American farm products throughout the world, including scientific and technical research into American-grown cotton and its byproducts and their present and potential uses, including new and additional commercial and scientific uses for cotton and its byproducts, and including investigations of cotton ginning under the Act approved April 19, 1930 (7 U. S. C. 424, 425), and for collecting and disseminating information on the adjustment of production to probable demand for the different farm and animal products, independently and in cooperation with other branches of the Department, State agencies, purchasing and consuming organizations, and persons engaged in the marketing, handling, utilization, grading, transportation, and distributing of farm and food products, and for investigation of the economic costs of retail marketing of meat and meat products, \$823,650, of which \$35,000 shall be immediately available: *Provided*, That practical forms of the grades recommended or promulgated by the Secretary for wool and mohair may be sold under such rules and regulations as he may prescribe, and the receipts therefrom deposited in the Treasury to the credit of miscellaneous receipts.

Crop and livestock estimates: For collecting, compiling, abstracting, analyzing, summarizing, interpreting, and publishing data relating to agriculture, including crop and livestock estimates, acreage, yield, grades, staples of cotton, stocks, and value of farm crops and numbers, grades, and value of livestock and livestock products on farms, in cooperation with the Extension Service and other Federal, State, and local agencies, \$671,289: *Provided*, That no part of the funds herein appropriated shall be available for any expense incident to ascertaining, collating, or publishing a report stating the intention of farmers as to the acreage to be planted in cotton.

Foreign competition and demand: To enable the Secretary of Agriculture to carry into effect the provisions of the Act entitled "An Act to promote the agriculture of the United States by expanding in the foreign field the service now rendered by the United States Department of Agriculture in acquiring and diffusing useful information regarding agriculture, and for other purposes", approved June 5, 1930 (7 U. S. C. 541-545), and for collecting and disseminating to American producers, importers, exporters, and other interested persons information relative to the world supply of and need for American agricultural products, marketing methods, conditions, prices, and other factors, a knowledge of which is necessary to the advantageous disposition of such products in foreign countries, independently and in cooperation with other branches of the Government, State agencies, purchasing and consuming organizations, and persons engaged in the transportation, marketing, and distribution of farm and food products, including the purchase of such books and periodicals and not to exceed \$1,000 for newspapers as may be necessary in connection with this work, \$295,000.

General administrative expenses.

Farm management and practice.

Marketing and distributing farm products.

Promotion of uniform standards.

Cotton and byproducts research.

46 Stat. 248.  
7 U. S. C. §§ 424, 425.

*Proviso.*  
Sale of forms of wool and mohair grades.

Crop and livestock estimates.

*Proviso.*  
Restriction on expenditure.

Foreign competition and demand.

46 Stat. 497.  
7 U. S. C. §§ 541-545.  
Dissemination of information to American producers, etc.

Market inspection  
of farm products.

**Market inspection of farm products:** For enabling the Secretary of Agriculture, independently and in cooperation with other branches of the Government, State agencies, purchasing and consuming organizations, boards of trade, chambers of commerce, or other associations of businessmen or trade organizations, and persons or corporations engaged in the production, transportation, marketing, and distribution of farm and food products, whether operating in one or more jurisdictions, to investigate and certify to shippers and other interested parties the class, quality, and condition of cotton, tobacco, fruits, and vegetables, whether raw, dried, or canned, poultry, butter, hay, and other perishable farm products when offered for interstate shipment or when received at such important central markets as the Secretary of Agriculture may from time to time designate, or at points which may be conveniently reached therefrom, under such rules and regulations as he may prescribe, including payment of such fees as will be reasonable and as nearly as may be to cover the cost for the service rendered: *Provided*, That certificates issued by the authorized agents of the department shall be received in all courts of the United States as prima facie evidence of the truth of the statements therein contained, \$450,000.

*Proviso.*  
Certificates as evi-  
dence.

Tobacco Inspection  
Act.

**Tobacco Inspection Act:** To enable the Secretary of Agriculture to carry into effect the provisions of an Act entitled "An Act to establish and promote the use of standards of classification for tobacco, to provide and maintain an official tobacco-inspection service, and for other purposes", approved August 23, 1935 (7 U. S. C. 511-511g), \$365,000.

49 Stat. 731.  
7 U. S. C., Supp.  
III, §§ 511-511g.  
Market news serv-  
ice.

**Market news service:** For collecting, publishing, and distributing, by telegraph, mail, or otherwise, timely information on the market supply and demand, commercial movement, location, disposition, quality, condition, and market prices of livestock, meats, fish, and animal products, dairy and poultry products, fruits and vegetables, peanuts and their products, grain, hay, feeds, tobacco, cottonseed, and seeds, and other agricultural products, independently and in cooperation with other branches of the Government, State agencies, purchasing and consuming organizations, and persons engaged in the production, transportation, marketing, and distribution of farm and food products, \$1,122,302.

Perishable Agricul-  
tural Commodities  
Act.  
46 Stat. 531.  
7 U. S. C. §§ 499a-  
499r.

**Perishable Agricultural Commodities Act:** To enable the Secretary of Agriculture to carry into effect the provisions of the Act entitled "An Act to suppress unfair and fraudulent practices in the marketing of perishable agricultural commodities in interstate and foreign commerce", as amended (7 U. S. C. 499a-499r), \$143,890.

Standard Container,  
Hamper, and Produce  
Agency Acts.

**Standard Container, Hamper, and Produce Agency Acts:** To enable the Secretary of Agriculture to carry into effect the Act entitled "An Act to fix standards for Climax baskets for grapes and other fruits and vegetables, and to fix standards for baskets and other containers for small fruits, berries, and vegetables, and for other purposes", approved August 31, 1916 (15 U. S. C. 251-256), the Act entitled "An Act to fix standards for hampers, round stave baskets, and splint baskets for fruits and vegetables, and for other purposes", approved May 21, 1928 (15 U. S. C. 257-257i), and the Act entitled "An Act to prevent the destruction or dumping, without good and sufficient cause therefor, of farm produce received in interstate commerce by commission merchants and others and to require them truly and correctly to account for all farm produce received by them", approved March 3, 1927 (7 U. S. C. 491-497), \$27,738.

39 Stat. 673; 45 Stat.  
685; 48 Stat. 930.  
15 U. S. C. §§ 251-  
256, 257-257i.

Antidumping Act.

44 Stat. 1355.  
7 U. S. C. §§ 491-497.

Peanut statistics.  
49 Stat. 1898.  
7 U. S. C., Supp.  
III, §§ 951-957.

**Peanut stocks and standards:** To enable the Secretary of Agriculture to carry into effect the provisions of the Act entitled "An Act to provide for the collection and publication of statistics of

peanuts by the Department of Agriculture", approved June 24, 1936 (7 U. S. C. 951-957), \$10,000.

Tobacco stocks and standards: To enable the Secretary of Agriculture to carry into effect the provisions of the Act entitled "An Act to provide for the collection and publication of statistics of tobacco by the Department of Agriculture", approved January 14, 1929 (7 U. S. C. 501-508), as amended, \$17,187.

Cotton quality statistics and classing Acts: To enable the Secretary of Agriculture to carry into effect the Act entitled "An Act authorizing the Secretary of Agriculture to collect and publish statistics of the grade and staple length of cotton", approved March 3, 1927 (7 U. S. C. 471-476), as amended by the Act entitled "An Act authorizing the Secretary of Agriculture to provide for the classification of cotton, to furnish information on market supply, demand, location, condition, and market prices for cotton, and for other purposes", approved April 13, 1937 (7 U. S. C. 473a-473c), \$450,000.

United States Cotton Futures and United States Cotton Standards Acts: To enable the Secretary of Agriculture to carry into effect the provisions of the United States Cotton Futures Act, as amended March 4, 1919 (26 U. S. C. 1090-1106), and to carry into effect the provisions of the United States Cotton Standards Act, approved March 4, 1923 (7 U. S. C. 51-65), including such means as may be necessary for effectuating agreements heretofore or hereafter made with cotton associations, cotton exchanges, and other cotton organizations in foreign countries, for the adoption, use, and observance of universal standards of cotton classification, for the arbitration or settlement of disputes with respect thereto, and for the preparation, distribution, inspection, and protection of the practical forms or copies thereof under such agreements, \$491,900.

United States Grain Standards Act: To enable the Secretary of Agriculture to carry into effect the provisions of the United States Grain Standards Act, \$723,941.

United States Warehouse Act: To enable the Secretary of Agriculture to carry into effect the provisions of the United States Warehouse Act, \$336,700.

Total, Bureau of Agricultural Economics, \$6,511,483, of which amount not to exceed \$2,208,259 may be expended for personal services in the District of Columbia, and not to exceed \$36,500 shall be available for the purchase of motor-propelled and horse-drawn passenger-carrying vehicles necessary in the conduct of field work outside the District of Columbia.

## BUREAU OF HOME ECONOMICS

### SALARIES AND EXPENSES

General administrative expenses: For necessary expenses for general administrative purposes, including the salary of Chief of Bureau and other personal services in the District of Columbia, \$31,735.

Home economics investigations: For conducting either independently or in cooperation with other agencies, investigations of the relative utility and economy of agricultural products for food, clothing, and other uses in the home, with special suggestions of plans and methods for the more effective utilization of such products for these purposes, and for disseminating useful information on this subject, including the employment of persons and means in the District of Columbia and elsewhere, \$273,350.

Total, Bureau of Home Economics, \$305,085, of which amount not to exceed \$268,350 may be expended for personal services in the District of Columbia.

Tobacco statistics.

45 Stat. 1079; 47 Stat. 662.  
7 U. S. C. §§ 501-508.

Cotton quality statistics and classing Acts.

44 Stat. 1372.  
7 U. S. C. §§ 471-476.

50 Stat. 62.  
7 U. S. C., Supp. III, §§ 473a-473c.  
Cotton Futures Act.  
39 Stat. 476; 40 Stat. 1351.  
26 U. S. C. §§ 1090-1106.

Cotton Standards Act.

42 Stat. 1517.  
7 U. S. C. §§ 51-65.  
Agreements as to standards, etc., in foreign countries.

Grain Standards Act.

39 Stat. 482.  
7 U. S. C. §§ 71-87.

Warehouse Act.

39 Stat. 486.  
7 U. S. C. §§ 241-273.  
Post, p. 1126.

Personal services, D. C.

Vehicles.

Bureau of Home Economics.

Salaries and expenses.

General administrative expenses.

Home economics investigations.

Personal services, D. C.

Commodity Exchange Act.

Enforcement expenses.

42 Stat. 998; 49 Stat. 1491.

7 U. S. C. §§ 1-17; Supp. III, §§ 1-17a.

Personal services, D. C.

## ENFORCEMENT OF THE COMMODITY EXCHANGE ACT

To enable the Secretary of Agriculture to carry into effect the provisions of the Commodity Exchange Act of June 15, 1936 (7 U. S. C. 1-17a), as amended, \$635,000, of which amount not to exceed \$35,000 may be used to carry into effect the provisions of the Act of April 7, 1938, amending the Commodity Exchange Act and of which amount not to exceed \$240,940 may be expended for personal services in the District of Columbia.

Food and Drug Administration.

## FOOD AND DRUG ADMINISTRATION

### SALARIES AND EXPENSES

Salaries and expenses.

For all necessary expenses, for chemical apparatus, chemicals, and supplies, repairs to apparatus, gas, electric current, official traveling expenses, telegraph and telephone service, express and freight charges, for the employment of such assistants, clerks, and other persons as the Secretary of Agriculture may consider necessary for the purposes named, in the city of Washington and elsewhere, in conducting investigations; collecting, reporting, and illustrating the results of such investigations; and for rent outside the District of Columbia for carrying out the investigations and work herein authorized, as follows:

Rent outside D. C.

General administrative expenses.

General administrative expenses: For necessary expenses for general administrative purposes, including the salary of chief of administration and other personal services in the District of Columbia, \$100,802.

Food and Drugs Act, enforcement.  
34 Stat. 768.  
21 U. S. C. §§ 1-15.  
Post, p. 1059.

Enforcement of the Food and Drugs Act: For enabling the Secretary of Agriculture to carry into effect the provisions of the Act of June 30, 1906 (21 U. S. C. 1-15), entitled "An Act for preventing the manufacture, sale, or transportation of adulterated, or misbranded, or poisonous, or deleterious foods, drugs, medicines, and liquors, and for regulating traffic therein, and for other purposes", as amended; to cooperate with associations and scientific societies in the revision of the United States pharmacopoeia and development of methods of analysis, and for investigating the character of the chemical and physical tests which are applied to American food products in foreign countries, and for inspecting the same before shipment when desired by the shippers or owners of these products intended for countries where chemical and physical tests are required before the said products are allowed to be sold therein, \$1,750,000: *Provided*, That not more than \$4,280 shall be used for travel outside the United States.

Revision of Pharmacopoeia.

Proviso.  
Travel outside United States.

Tea Importation Act, enforcement.  
29 Stat. 604; 41 Stat. 712.  
21 U. S. C. §§ 41-50.

Enforcement of the Tea Importation Act: For enabling the Secretary of Agriculture to carry into effect the provisions of the Act approved March 2, 1897 (21 U. S. C. 41-50), entitled "An Act to prevent the importation of impure and unwholesome tea", as amended, including payment of compensation and expenses of the members of the board appointed under section 2 of the Act and all other necessary officers and employees, \$40,094.

Naval Stores Act.  
42 Stat. 1435.  
7 U. S. C. §§ 91-99.

Naval Stores Act: For enabling the Secretary of Agriculture to carry into effect the provisions of the Naval Stores Act of March 3, 1923 (7 U. S. C. 91-99), \$34,700.

Insecticide Act, enforcement.  
36 Stat. 331.  
7 U. S. C. §§ 121-134.

Enforcement of the Insecticide Act: For enabling the Secretary of Agriculture to carry into effect the provisions of the Act of April 26, 1910 (7 U. S. C. 121-134), entitled "An Act for preventing the manufacture, sale, or transportation of adulterated or misbranded paris greens, lead arsenates, other insecticides, and also fungicides, and for regulating traffic therein, and for other purposes", \$208,180.

Enforcement of the Milk Importation Act: For enabling the Secretary of Agriculture to carry into effect the provisions of an Act approved February 15, 1927 (21 U. S. C. 141-149), entitled "An Act to regulate the importation of milk and cream into the United States for the purpose of promoting the dairy industry of the United States and protecting the public health", \$19,241.

Enforcement of the Caustic Poison Act: For enabling the Secretary of Agriculture to carry into effect the provisions of an Act approved March 4, 1927 (15 U. S. C. 401-411), entitled "An Act to safeguard the distribution and sale of certain dangerous caustic or corrosive acids, alkalies, and other substances in interstate and foreign commerce", \$24,741.

Enforcement of the Filled Milk Act: For enabling the Secretary of Agriculture to carry into effect the provisions of the Act entitled "An Act to prohibit the shipment of filled milk in interstate or foreign commerce", approved March 4, 1923 (21 U. S. C. 61-63), as amended by the Act of August 27, 1935 (21 U. S. C. 64), \$10,000.

Enforcement of the Sea Food Inspectors Act: For personal services of sea food inspectors designated to examine and inspect sea food and the production, packing, and labeling thereof upon the application of any packer of any sea food for shipment or sale within the jurisdiction of the Federal Food and Drugs Act, in accordance with the provisions of an Act entitled "An Act to amend section 10A of the Federal Food and Drugs Act of June 30, 1906, as amended", approved August 27, 1935 (21 U. S. C. 14a), \$40,000.

Total, Food and Drug Administration, \$2,227,758, of which amount not to exceed \$653,056 may be expended for personal services in the District of Columbia, and not to exceed \$18,175 shall be available for the purchase of motor-propelled and horse-drawn passenger-carrying vehicles necessary in the conduct of field work outside the District of Columbia.

## SOIL CONSERVATION SERVICE

### SALARIES AND EXPENSES

To carry out the provisions of an Act entitled "An Act to provide for the protection of land resources against soil erosion and for other purposes", approved April 27, 1935 (16 U. S. C. 590a-590f), which provides for a national program of erosion control and soil and moisture conservation to be carried out directly and in cooperation with other agencies; including the employment of persons and means in the District of Columbia and elsewhere, purchase of books and periodicals, maintenance, repair, and operation of one passenger-carrying automobile in the District of Columbia, furnishing of subsistence to employees, training of employees, and the purchase and erection of permanent buildings: *Provided*, That the cost of any building purchased, erected, or as improved, exclusive of the cost of constructing a water supply or sanitary system and connecting the same with any such building, shall not exceed \$2,500 except where buildings are acquired in conjunction with land being purchased for other purposes and except for six buildings to be constructed at a cost not to exceed \$15,000 per building: *Provided further*, That no money appropriated in this Act shall be available for the construction of any such building on land not owned by the Government: *Provided further*, That during the fiscal year 1939 the appropriations for the work of the Soil Conservation Service shall be available for meeting the expenses of warehouse maintenance and the procurement, care, and handling of supplies, materials, and equipment stored therein for distribution to projects under the supervision of the Soil

Milk Importation Act, enforcement.  
44 Stat. 1101.  
21 U. S. C. §§ 141-149.

Caustic Poison Act, enforcement.  
44 Stat. 1406.  
15 U. S. C. §§ 401-411.

Filled Milk Act, enforcement.  
42 Stat. 1486; 49 Stat. 885.  
21 U. S. C. §§ 61-63; Supp. III, § 64.

Sea Food Inspectors Act, enforcement.

34 Stat. 768.  
21 U. S. C. §§ 1-5, 7-15.  
49 Stat. 871.  
21 U. S. C., Supp. III, § 14a.

Personal services, D. C.

Vehicles.

Soil Conservation Service.

Salaries and expenses.

49 Stat. 163.  
16 U. S. C., Supp. III, §§ 590a-590f.

Provisions.  
Cost of buildings.

Construction on Government-owned land.

Warehouse maintenance, etc.

Reproductions of  
photographs, etc.

General administra-  
tive expenses.

*Proviso.*  
Restriction.

Soil and moisture  
conservation and land-  
use investigations.

Operations, demon-  
strations, etc.

Personal services,  
D. C.  
Vehicles.

Conservation and  
use of agricultural  
land resources.

Administrative ex-  
penses.  
49 Stat. 1148.  
16 U. S. C., Supp.  
III, §§ 590g-590q.  
*Ante*, p. 31.

Printing and bind-  
ing.

Sums reappropri-  
ated.

49 Stat. 1116.  
48 Stat. 38.  
7 U. S. C. § 612.

49 Stat. 1183.

Conservation Service and for sale and distribution to other Government activities, the cost of such supplies and materials or the value of such equipment (including the cost of transportation and handling), to be reimbursed to appropriations current at the time additional supplies, materials, or equipment are procured from the appropriations chargeable with the cost or value of such supplies, materials, or equipment: *Provided further*, That reproductions of such aerial or other photographs, mosaics, and maps as shall be required in connection with the authorized work of the Soil Conservation Service may be furnished at the cost of reproduction to Federal, State, county, or municipal agencies requesting such reproductions, the money received from such sales to be deposited in the Treasury to the credit of this appropriation; as follows:

General administrative expenses: For necessary expenses for general administrative purposes, including the salary of the Chief of the Soil Conservation Service and other personal services in the District of Columbia, \$552,050: *Provided*, That no part of the money appropriated in this paragraph shall be available for expenditure if any emergency or other appropriations are made available for administrative expenses in administering the funds provided in regular appropriations to the Soil Conservation Service.

Soil and moisture conservation and land-use investigations: For research and investigations into the character, cause, extent, history, and effects of erosion and soil and moisture depletion and methods for soil and moisture conservation, including construction, operation, and maintenance of experimental watersheds, stations, laboratories, plots, and installations, \$1,510,601.

Soil and moisture conservation operations, demonstrations, and information: For carrying out preventive measures to conserve soil and moisture, including such special measures as may be necessary to prevent floods and the siltation of reservoirs, the establishment and operation of erosion nurseries, the making of conservation plans and surveys, and the dissemination of information, \$21,462,349.

Total, Soil Conservation Service, \$23,525,000, of which not to exceed \$1,734,636 may be expended for personal services in the District of Columbia, and not to exceed \$100,000 shall be available for the purchase of motor-propelled and horse-drawn passenger-carrying vehicles necessary in the conduct of field work outside the District of Columbia.

## CONSERVATION AND USE OF AGRICULTURAL LAND RESOURCES, DEPARTMENT OF AGRICULTURE

To enable the Secretary of Agriculture to carry into effect the provisions of sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936 (16 U. S. C. 590g-590q), and the provisions of the Agricultural Adjustment Act of 1938 (except the making of payments pursuant to sections 303 and 381 and the provisions of titles IV and V), including the employment of persons and means in the District of Columbia and elsewhere; rent in the District of Columbia; printing and binding; purchase of law books, books of reference, periodicals, and newspapers, \$345,000,000, together with not to exceed \$155,000,000 of the unexpended balance of the appropriations made by the Supplemental Appropriation Act, fiscal year 1936, under the head "Payments for Agricultural Adjustment" (49 Stat. 1116), by section 12 (a), title I, of the Agricultural Adjustment Act of May 12, 1933 (7 U. S. C. 612), and by section 2 of the Independent Offices Appropriation Act, 1937, approved March 19, 1936 (49 Stat. 1183), in all, not to exceed

\$500,000,000, to remain available until June 30, 1940, for compliances under said Act of February 29, 1936, as amended, pursuant to the provisions of the 1938 programs carried out during the period November 1, 1937, to December 31, 1938, inclusive: *Provided*, That no part of such amount shall be available for carrying out the provisions of section 202 (f) of the Agricultural Adjustment Act of 1938, and not to exceed \$100,000 shall be available under the provisions of section 202 (a) to 202 (e), inclusive, of said Act to conduct a survey to determine the location of said laboratories and the scope of the investigations to be made and to coordinate the research work now being carried on: *Provided further*, That no part of such amount shall be available after June 30, 1939, for salaries and other administrative expenses except for payment of obligations therefor incurred prior to July 1, 1939: *Provided further*, That such amount shall be available for salaries and other administrative expenses in connection with the formulation and administration of the 1939 programs or plans now or hereafter authorized under section 7 or 8, or both, of said Act of February 29, 1936, or under said provisions of the Agricultural Adjustment Act of 1938: *Provided further*, That the Secretary of Agriculture may, in his discretion, from time to time transfer to the General Accounting Office such sums as may be necessary to pay administrative expenses of the General Accounting Office in auditing payments under this item: *Provided further*, That such amount shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming materials and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary of Agriculture in the 1938 and 1939 programs under said Act of February 29, 1936, as amended; for the reimbursement of the Tennessee Valley Authority or any other Government agency for fertilizers, seeds, lime, trees, or other farming materials furnished by such agency; and for the payment of all expenses necessary in making such grants including all or part of the costs incident to the delivery thereof: *And provided further*, That the funds provided by section 32 of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes", approved August 24, 1935 (7 U. S. C. 612c), shall be available during the fiscal year 1939 for administrative expenses, in accordance with the provisions of section 392 of the Agricultural Adjustment Act of 1938, in carrying out the provisions of said section, including the employment of persons and means in the District of Columbia and elsewhere, in accordance with the provisions of law applicable to the employment of persons and means by Agricultural Adjustment Administration: *And provided further*, That in carrying out the provisions of the Third Deficiency Appropriation Act, fiscal year 1937, and section 381 (a) of the Agricultural Adjustment Act of 1938, as amended, relating to cotton price adjustment payments with respect to the 1937 cotton crop, in order to accelerate such payments the Secretary shall, notwithstanding said provisions, (1) treat all cotton not sold prior to September 10, 1937, as if it had been sold on a date when the average price of seven-eighths-inch Middling cotton on the ten designated spot cotton markets was less than 9 cents per pound; (2) make payment on the basis of applications filed prior or subsequent to July 16, 1938, on forms prescribed by the Secretary, by the 1937 operator or other person designated pursuant to regulations prescribed by the Secretary on behalf of all the producers on the farm in 1937 or by individual producers, provided that (a) payment will not be made to the 1938 operator of the farm unless he certifies that he has complied thereon with the requirements defined in said section 381 (a), which certificate shall be taken to certify to such

Availability.

*Provisos.*  
Use restricted.

*Ante*, p. 37.

Laboratories and  
other research facil-  
ities.

Use restricted.

Availability for 1939  
programs.

Transfer of funds.

Purchase of seed,  
etc., and issuance to  
producers.

Tennessee Valley  
Authority, etc., reim-  
bursement.

Funds for adminis-  
trative expenses.

49 Stat. 774.  
7 U. S. C., Supp.  
III, § 612c.

*Ante*, p. 69.

Cotton price adjust-  
ment payments.  
50 Stat. 762; *ante*,  
p. 66.

Acceleration of pay-  
ments.

Applications.

Certificate of com-  
pliance.



Agreement to refund if subsequently found operator failed to comply.

Where cotton produced in 1937 on two or more farm units.

Total or partial crop failure from hail, etc., conditions.

Payments.

Naval stores conservation programs, payments.  
49 Stat. 1149.

Services of regional associations, etc.

*Ante*, p. 68.

Federal Crop Insurance Act.

Administrative and operating expenses.  
50 Stat. 430.

*Ante*, p. 72.

Designated allotments.

*Ante*, p. 77.

*Ante*, p. 73.

Federal Crop Insurance Corporation, subscriptions to capital stock.

50 Stat. 430.

compliance on the part of all producers on the farm in 1938 who produced cotton in 1937, (b) payment shall not be delivered to any operator or producer until he has agreed in writing to refund the payment forthwith upon demand in case it is subsequently found that he has failed to comply with the requirements as defined herein and in said section 381 (a), (c) in cases where cotton was produced in 1937 on two or more producer units on the farm it shall be assumed that the production thereon was uniform, and (d) it shall be assumed that there was a total or partial crop failure resulting from hail, drought, flood, or boll-weevil infestation (which is defined to include any other insect or fungus) only if the yield in 1937 is below the base yield for the farm and in such case the total production shall be considered to be the normal yield for the farm multiplied by the number of acres planted to cotton in 1937; and (3) make payments, as soon as practicable, on the basis of his estimate of the amounts which will be covered by the applications to be filed and of the funds to be used out of the appropriation for the necessary administrative expenses of making the cotton price adjustment payments: *And provided further*, That in administering the naval stores conservation programs authorized in section 8 of the Soil Conservation and Domestic Allotment Act and in making payments thereunder to gum naval stores producers the Secretary may utilize the services of regional associations of such producers or any agency of the Government in lieu of the State, county, and other local committees utilized in the other agricultural conservation programs if he finds that more efficient administration will result, and the provisions of section 388 (b) of the Agricultural Adjustment Act of 1938 shall otherwise be applicable to the administration of said naval stores conservation programs.

## FEDERAL CROP INSURANCE ACT

Administrative and operating expenses: Not to exceed \$5,500,000 of the unobligated balance of the appropriation made in the Department of Agriculture Appropriation Act, 1938, under the heading "Conservation and Use of Agricultural Land Resources, Department of Agriculture", is hereby made available for operating and administrative expenses under the Federal Crop Insurance Act (title V, Agricultural Adjustment Act of 1938), approved February 16, 1938, during the fiscal year ending June 30, 1939, to be allotted by the Secretary of Agriculture (a) to the Federal Crop Insurance Corporation, as authorized by section 516 (a) of such Act, and (b) to bureaus and offices of the Department of Agriculture or for transfer to other agencies of State and Federal Governments, as authorized by section 507 (d) of such Act; and such part as the Secretary allots under clause (b) hereof, shall be available for the employment of persons and means in the District of Columbia and elsewhere, rent in the District of Columbia, printing and binding, purchase of law books, books of reference, periodicals, and newspapers.

Subscriptions to capital stock, Federal Crop Insurance Corporation: Not to exceed \$20,000,000 of the unobligated balance of the appropriation made in the Department of Agriculture Appropriation Act, 1938, approved June 29, 1937, under the head "Conservation and Use of Agricultural Land Resources, Department of Agriculture", is hereby made available for use by the Secretary of the Treasury during the fiscal year 1939, at such times and in such amounts as the Secretary of Agriculture may request, for the purpose of subscribing to and paying for the capital stock of the Federal Crop Insurance Corporation of the United States of America, as provided

for in section 504 of the Federal Crop Insurance Act, approved February 16, 1938. The payment for said stock by the Secretary of the Treasury shall, with the approval of the Secretary of Agriculture, be subject to call in whole or in part by the Board of Directors of the Federal Crop Insurance Corporation, and shall be effected by transfer of funds on the books of the Treasury Department to the credit of the corporation, the funds so transferred to be subject to requisition by the corporation with the approval of the Secretary of Agriculture.

### THE SUGAR ACT OF 1937

To enable the Secretary of Agriculture to carry into effect the provisions, other than those specifically relating to the Philippine Islands, of the Sugar Act of 1937, approved September 1, 1937 (7 U. S. C. 1100-1183), including printing and binding, and the employment of persons and means, in the District of Columbia and elsewhere, as authorized by said Act, \$48,000,000.

### RETIREMENT OF COTTON POOL PARTICIPATION TRUST CERTIFICATES

To enable the Secretary of Agriculture to carry into effect the provisions of title IV of the Agricultural Adjustment Act of 1938, approved February 16, 1938, fiscal year 1938, to remain available until June 30, 1939, \$1,800,000: *Provided*, That the Secretary of Agriculture may, in his discretion, from time to time transfer to the General Accounting Office such sums as may be necessary to pay administrative expenses of the General Accounting Office in auditing payments under this title: *Provided further*, That the authority of the manager, cotton pool, to purchase and pay for participation trust certificates, Form C-5-I, shall extend to and include the 31st day of December 1938 but after the expiration of said limit, the purchase may be consummated of any such certificates tendered to the manager, cotton pool, on or before December 31, 1938, but where for any reason the purchase price shall not have been paid by the manager, cotton pool: *Provided further*, That the date May 1, 1938, appearing in title IV of the Agricultural Adjustment Act of 1938, as amended, shall not be applicable: *Provided further*, That in case any person who is entitled to payment on a participation trust certificate, Form C-5-I, dies, becomes incompetent, or disappears before receiving such payment or before application for such payment is executed, the Secretary of Agriculture shall provide by regulations, without regard to any other provisions of law, for such payment to such person as he may determine to be fairly and reasonably entitled thereto.

### INTERNATIONAL PRODUCTION CONTROL COMMITTEES

During the fiscal year 1939 the Secretary of Agriculture may expend not to exceed \$17,500 from the funds available to the Agricultural Adjustment Administration for the share of the United States as a member of the International Wheat Advisory Committee, the International Sugar Council, or like events or bodies concerned with the reduction of agricultural surpluses or with other objectives of the Agricultural Adjustment Administration, together with traveling and other necessary expenses relating thereto.

*Ante*, p. 72.

Payment subject to call; transfer of funds to credit of corporation.

Sugar Act of 1937.

Administrative expenses.

50 Stat. 903.  
7 U. S. C., Supp. III, §§ 1100-1183.

Cotton pool participation trust certificates.

Expenses, retirement of.  
*Ante*, p. 70.  
Availability.

*Provisos*.  
Transfer of funds.

Authority of manager to purchase, etc., certificates extended.

Consummation after time expiration.

Textual correction.  
*Ante*, p. 204.

Provision where person entitled to payment dies, etc.

International Production Control Committees.

Share of expenses.

## Farm Tenant Act.

## FARM TENANT ACT

## FARM TENANCY

Loans for acquisition of farms.  
50 Stat. 522.  
7 U. S. C., Supp. III, §§ 1000-1006.

To enable the Secretary of Agriculture to carry out the provisions of title I of the Bankhead-Jones Farm Tenant Act, approved July 22, 1937 (7 U. S. C. 1000-1006), including the employment of persons and means in the District of Columbia, and elsewhere, as authorized by said Act, \$25,000,000, together with the unexpended balance of the appropriation made under said Act for the fiscal year 1938.

Resettlement projects.

## LIQUIDATION AND MANAGEMENT OF RESETTLEMENT PROJECTS

Liquidation and management.  
50 Stat. 530.  
7 U. S. C., Supp. III, §§ 1014-1029.

To enable the Secretary of Agriculture to carry out the provisions of section 43 of title IV of the Bankhead-Jones Farm Tenant Act, approved July 22, 1937 (7 U. S. C. 1014-1029), including the employment of persons and means, in the District of Columbia and elsewhere, as authorized by said Act, \$2,000,000.

Submarginal land.

## LAND UTILIZATION AND RETIREMENT OF SUBMARGINAL LAND

Land utilization and retirement.  
50 Stat. 525.  
7 U. S. C., Supp. III, §§ 1010-1013.

To enable the Secretary of Agriculture to carry out the provisions of title III of the Bankhead-Jones Farm Tenant Act, approved July 22, 1937 (7 U. S. C. 1010-1013), including the employment of persons and means in the District of Columbia and elsewhere, as authorized by said Act, \$5,000,000, and the amount appropriated for this purpose for the fiscal year 1938 (Third Deficiency Appropriation Act, fiscal year 1937), remaining unobligated on June 30, 1938, shall continue available to June 30, 1939.

Total, Farm Tenant Act, \$32,000,000.

Water facilities, arid and semi-arid areas.  
Development, etc., of.

## WATER FACILITIES, ARID AND SEMI-ARID AREAS

50 Stat. 869.  
16 U. S. C., Supp. III, §§ 590r-590x.  
Printing and binding.  
Vehicles.

To enable the Secretary of Agriculture to carry into effect the provisions of the Act entitled "An Act to promote conservation in the arid and semi-arid areas of the United States by aiding in the development of facilities for water storage and utilization, and for other purposes", approved August 28, 1937 (16 U. S. C. 590r-590x), including the employment of persons and means in the District of Columbia and elsewhere; printing and binding; the purchase, exchange, operation, and maintenance of passenger-carrying vehicles; and rent in the District of Columbia and elsewhere, \$500,000, of which not to exceed \$25,000 may be expended in the District of Columbia: *Provided*, That not to exceed \$50,000 of this appropriation shall be available for expenditure for any one project designed in whole or in part to benefit lands by the irrigation thereof and all project facilities and appurtenances which depend for their utility in whole or in part upon each other or upon any common facility shall be deemed one project, and the authority contained in said Act shall not be deemed to authorize the construction of any project not in accord with this limitation.

*Proviso.*  
Use restricted.

Beltsville Research Center.

## BELTSVILLE RESEARCH CENTER

General expenses.  
Additional funds.

For general administrative purposes, including maintenance, operation, repairs, and other expenses, \$85,000; and, in addition thereto, this appropriation may be augmented, by transfer of funds or by reimbursement, from applicable appropriations, to cover the cost, including handling and other related charges, of services and supplies, equipment and materials furnished, stores of which may be maintained at the Center, and the applicable appropriations may also be

charged their proportionate share of the necessary general expenses of the Center not covered by this appropriation.

### FOREST ROADS AND TRAILS

For carrying out the provisions of section 23 of the Federal Highway Act approved November 9, 1921 (23 U. S. C. 23), including not to exceed \$59,500 for departmental personal services in the District of Columbia, \$14,000,000, which sum consists of the balance of the amount authorized to be appropriated for the fiscal year 1938 and \$7,000,000 of the amount authorized to be appropriated for the fiscal year 1939 by the Act approved June 16, 1936, to be immediately available and to remain available until expended: *Provided*, That this appropriation shall be available for the rental, purchase, or construction of buildings necessary for the storage of equipment and supplies used for road and trail construction and maintenance, but the total cost of any such building purchased or constructed under this authorization shall not exceed \$7,500: *Provided further*, That there shall be available from this appropriation not to exceed \$50,000 for the completion of construction of buildings at Denver, Colorado, for the storage and repair of Government equipment for use in the construction and maintenance of roads.

Forest roads and trails.  
42 Stat. 218, 661.  
23 U. S. C. § 23.

49 Stat. 1519.  
23 U. S. C., Supp. III, ch. 1.  
*Protisos.*  
Authorized expenditures.

Buildings at Denver, Colo.

### INTERCHANGE OF APPROPRIATIONS

Not to exceed 5 per centum of the foregoing amounts for the miscellaneous expenses of the work of any bureau, division, or office herein provided for shall be available interchangeably for expenditures on the objects included within the general expenses of such bureau, division, or office, but no more than 5 per centum shall be added to any one item of appropriation except in cases of extraordinary emergency.

Interchange of appropriations.

Limitation.

### WORK FOR OTHER DEPARTMENTS

During the fiscal year 1939 the head of any department or independent establishment of the Government requiring inspections, analyses, and tests of food and other products, within the scope of the functions of the Department of Agriculture and which that Department is unable to perform within the limits of its appropriations, may, with the approval of the Secretary of Agriculture transfer to the Department of Agriculture for direct expenditure such sums as may be necessary for the performance of such work.

Work for other departments, etc.

### PASSENGER-CARRYING VEHICLES

Within the limitations specified under the several headings the lump-sum appropriations herein made for the Department of Agriculture shall be available for the purchase of motor-propelled and horse-drawn passenger-carrying vehicles necessary in the conduct of the field work of the Department of Agriculture outside the District of Columbia: *Provided*, That such vehicles shall be used only for official service outside the District of Columbia, but this shall not prevent the continued use for official service of motortrucks in the District of Columbia: *Provided further*, That the limitation on expenditures for purchase of passenger-carrying vehicles in the field service shall be interchangeable between the various bureaus and offices of the Department, to such extent as the exigencies of the service may require: *Provided further*, That appropriations contained in this Act shall be available for the maintenance, operation, and repair of motor-propelled and horse-drawn passenger-carrying vehi-

Passenger-carrying vehicles.

Availability of funds for purchase, etc.

*Protisos.*  
Limitation on use.

Interchangeability.

Maintenance, etc.

Exchanges.

Vehicle for use  
in D. C.

Short title.

Title II—Farm  
Credit Administra-  
tion.

Salaries and ex-  
penses.  
Traveling expenses.

Contingent expen-  
ses.  
Printing and bind-  
ing.

Services and sup-  
plies.  
R. S. § 3709.  
41 U. S. C. § 5.  
Vehicles.

Transportation and  
subsistence.

Collection of loans  
under designated  
Acts.

cles: *Provided further*, That the Secretary of Agriculture may exchange motor-propelled and horse-drawn vehicles, tractors, road equipment, and boats, and parts, accessories, tires, or equipment thereof, in whole or in part payment for vehicles, tractors, road equipment, or boats, or parts, accessories, tires, or equipment of such vehicles, tractors, road equipment, or boats purchased by him: *Provided further*, That the funds available to the Agricultural Adjustment Administration may be used during the fiscal year for which appropriations are herein made for the maintenance, repair, and operation of one passenger-carrying vehicle for official purposes in the District of Columbia.

This title may be cited as the "Department of Agriculture Appropriation Act, 1939".

## TITLE II—FARM CREDIT ADMINISTRATION

### SALARIES AND EXPENSES

For salaries and expenses of the Farm Credit Administration in the District of Columbia and the field; traveling expenses of officers and employees including not to exceed \$5,000 for travel incurred under proper authority attending meetings or conventions of members of organizations at which matters of importance to the work of the Farm Credit Administration are to be discussed or transacted; printing and binding; contingent and miscellaneous expenses, including law books, books of reference, and not to exceed \$1,000 for periodicals, newspapers, and maps; contract stenographic reporting services, and expert services for the preparation of amortization tables; library membership fees or dues in organizations which issue publications to members only or to members at a lower price than to others, payment for which may be made in advance; purchase of manuscripts, data, and special reports by personal service without regard to the provisions of any other Act; procurement of supplies and services without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5) when the aggregate amount involved does not exceed \$50; purchase, exchange, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles and motor trucks to be used only for official purposes; typewriters, adding machines, and other labor-saving devices, including their repair and exchange; garage rental in the District of Columbia and elsewhere; payment of actual transportation expenses and not to exceed \$10 per diem in lieu of subsistence and other expenses of persons serving, while away from their homes, without other compensation from the United States, in an advisory capacity to the Farm Credit Administration; employment of persons, firms, and others for the performance of special services, including legal services, and other miscellaneous expenses; collection of moneys due the United States on account of loans made under the provisions of the Acts of March 3, 1921 (41 Stat., p. 1347), March 20, 1922 (42 Stat., p. 467), April 26, 1924 (43 Stat., p. 110), February 28, 1927 (44 Stat., p. 1251), February 25, 1929 (45 Stat., p. 1306), as amended May 17, 1929 (46 Stat., p. 3), March 3, 1930 (46 Stat., pp. 78, 79), December 20, 1930 (46 Stat., p. 1032), February 14, 1931 (46 Stat., p. 1160), and February 23, 1931 (46 Stat., p. 1276); January 22, 1932 (47 Stat., p. 5), February 4, 1933 (47 Stat., p. 795), March 4, 1933 (47 Stat., p. 1547), February 23, 1934 (48 Stat., p. 354), March 10, 1934 (48 Stat., p. 402), June 19, 1934 (48 Stat., p. 1021), February 20, 1935 (49 Stat., p. 28), March 21, 1935 (49 Stat., p. 49), April 8, 1935 (49 Stat., p. 115), January 29, 1937 (Public, Numbered 3, Seventy-fifth Congress), and February 9, 1937

(Public, Numbered 4, Seventy-fifth Congress), and Executive Order Numbered 7305, dated February 28, 1936; examination of corporations, banks, associations, credit unions, and institutions operated, supervised, or regulated by the Farm Credit Administration: *Provided*, That the expenses and salaries of employees engaged in such examinations shall be assessed against the said corporations, banks, or institutions in accordance with the provisions of existing laws; in all, \$3,750,000, together with not to exceed \$2,800,000 from the funds made available to the Farm Credit Administration under section 7 (a) of Public Law Numbered 3, Seventy-fifth Congress, approved January 29, 1937, and under the First Deficiency Appropriation Act, fiscal year 1937 (Public, Numbered 4, Seventy-fifth Congress), approved February 9, 1937 (50 Stat. 433-434).

#### FEDERAL FARM MORTGAGE CORPORATION

Not to exceed \$10,000,000 of the funds of the Federal Farm Mortgage Corporation, established by the Act of January 31, 1934 (48 Stat. 344), shall be available during the fiscal year 1939 for administrative expenses of the Corporation, including personal services in the District of Columbia and elsewhere; travel expenses of officers and employees of the Corporation, in accordance with the Standardized Government Travel Regulations and the Act of June 3, 1926, as amended (5 U. S. C. 821-833); printing and binding; law books, books of reference, and not to exceed \$250 for periodicals and newspapers; contract stenographic reporting services; procurement of supplies, equipment, and services; purchase (at not to exceed \$750 each), exchange, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles, to be used only for official purposes; typewriters, adding machines, and other labor-saving devices, including their repair and exchange; rent in the District of Columbia and elsewhere; payment of actual transportation expenses and not to exceed \$10 per diem in lieu of subsistence and other expenses of persons serving, while away from their homes, without other compensation from the United States, in an advisory capacity to the Corporation; employment on a contract or fee basis of persons, firms, and corporations for the performance of special services, including legal services; use of the services and facilities of Federal land banks, national farm loan associations, Federal Reserve banks, and agencies of the Government as authorized by said Act of January 31, 1934; and all other necessary administrative expenses: *Provided*, That all necessary expenses (including services performed on a force account, contract or fee basis, but not including other personal services) in connection with the operation, maintenance, improvement, or disposition of real or personal property of the Corporation shall be considered as non-administrative expenses for the purposes hereof: *Provided further*, That except for the limitations in amounts hereinbefore specified, and the restrictions in respect to travel expenses, the administrative expenses and other obligations of the Corporation shall be incurred, allowed and paid, in accordance with the provisions of said Act of January 31, 1934, as amended (12 U. S. C. 1016-1020 (h)).

This title may be cited as the "Farm Credit Administration Appropriation Act of 1939".

Approved, June 16, 1938.

Examinations, etc.

*Proviso.*  
Assessment for expenses.

Additional funds.

50 Stat. 7, 11.

Federal Farm Mortgage Corporation.

Administrative expenses.  
48 Stat. 344.  
12 U. S. C. § 1020.

Travel expenses.  
44 Stat. 688.  
5 U. S. C. §§ 821-833.

Printing and binding.

Vehicles.

Labor-saving devices.

Special services.

48 Stat. 344.  
*Provisos.*  
Certain expenses considered nonadministrative.

Payment, etc., of obligations.

48 Stat. 344.  
12 U. S. C. §§ 1016-1020 (h).  
Short title.

## [CHAPTER 465]

## AN ACT

June 16, 1938  
[H. R. 3565]  
[Public, No. 645]

Defining the compensation of persons holding positions as deputy clerks and commissioners of United States district courts, and for other purposes.

United States district courts.  
Clerks, deputies, and assistants, acceptance of compensation from other sources forbidden.

Exception, if appointed commissioners; rate limitation.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* No clerk or deputy clerk or assistant in the office of the clerk of a United States district court shall receive any compensation or emoluments through any office or position to which he may be appointed by the court, other than that received as such clerk, deputy clerk, or assistant, whether from the United States or from private litigants, and the acceptance of payment for personal services from private litigants shall be deemed a vacation of their appointments, but clerks of United States district courts, their deputies and assistants, who are or may be appointed United States commissioners, may receive compensation for both offices in an aggregate amount not exceeding the rate of \$3,000 per annum.

Approved, June 16, 1938.

## [CHAPTER 466]

## AN ACT

June 16, 1938  
[H. R. 6243]  
[Public, No. 646]

To authorize a survey of the old Indian trail and the highway known as "Oglethorpe Trail" with a view of constructing a national roadway on this route to be known as "The Oglethorpe National Trail and Parkway."

Oglethorpe National Trail and Parkway.  
Preamble.

Whereas the ancient Indian trail, extending from Savannah, the scene of the English colonization of Georgia, northwestwardly along the route of the Savannah River in the direction of the city of Augusta, and thence in a northwesterly direction, furnished a trail along which passed the great Indian migrations and also furnished a means of communication between the Indian tribes traveling from the Middle West and North to the Southeast; and

Whereas General Oglethorpe, in establishing a thoroughfare from Savannah to Augusta (upon returning, in September 1739, from his famous treaty conference with the Creek Nation, which was held at Coweta), followed this ancient Indian trail—this thoroughfare having been used thereafter by the colonists of Georgia in establishing their trading posts and outposts along the banks of the Savannah River into the great heart of the southeastern territory of the United States; and

Whereas this thoroughfare from Savannah to Augusta was designated in 1780 as a British military road; and

Whereas for nearly three-quarters of a century this thoroughfare was used as a stage road, President George Washington having traveled this road during his southern tour in 1791 in going from Savannah to Augusta; and

Whereas many important and historic sites are located on or near this road, including (ascending from Savannah) Old Yamacraw; the Hermitage Plantation; New Yamacraw; the Indian Mound Irene (site of John Wesley's Mission); Mrs. Musgroves Cowpen; Joseph's Town; Mulberry Grove (Nathanael Greene's plantation and site of invention of the cotton gin by Eli Whitney); the town of Abercorn; Dacre's Tavern; New Ebenezer; Old Ebenezer (site of the Salzburger settlement in 1734); the Palachocolas river crossing; Mount Pleasant (site of the trading post and fort); Hudson's Ferry; Uchee Town; Brier Creek Battlefield (site of important Revolutionary War battle); Burton's Ferry; Telfare's Saw Mill; Telfare's Plantation; Stony Bluff (site of prehistoric Indian stone implement factory); Gorham's Ferry; Shell Bluff

(site of deposits of gigantic fossilized oysters five inches wide by twenty-four inches long); and

Whereas not only is the area traversed rich in historic and prehistoric sites but it contains tremendous scenic value, passing through deep, junglelike river swamps which abound in game; over small blackwater creeks well stocked with bass, perch, and bream; across flat pine barren lands and rolling hills, and along commanding bluffs on the banks of the Savannah River; and in the springtime when dogwood, laurel, and magnolias are in bloom the area becomes a veritable garden; and

Whereas the entire Indian trail and the original thoroughfare from Savannah to Augusta lends itself particularly well to treatment as a national historic parkway (aside from its own significance it appears entirely feasible and desirable to link this proposed parkway to other national parkways, now under construction, by developing the Cherokee Indian trail from Augusta over the mountains to Tennessee); and

Whereas the cities and counties located in the area through which this roadway passes are interested in the building of this national parkway—numerous organizations, associations, and private citizens having already sponsored many projects to mark various of the historic sites along the roadway; and

Whereas the Government has recently adopted a policy and set up a division in the Department of the Interior known as the "National Park Service" to engage in a national way in laying out parks, reservations, and building parkways: Therefore

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of the Interior is hereby authorized to use a sum not in excess of \$10,000 of the regular roads and trails or parkway appropriations available to the National Park Service, with which to make a survey of the old Indian and Oglethorpe Trail throughout its entire length leading from the city of Savannah to the city of Augusta, Georgia, the same to be known as "The Oglethorpe National Trail and Parkway." The said survey shall locate the parkway as nearly as practicable in its original route. An estimate of cost of construction of an appropriate national parkway on this route, and such other data as would be valuable, shall be obtained by said survey, with the objective of determining matters concerning the construction of the parkway.

Approved, June 16, 1938.

[CHAPTER 467]

#### AN ACT

To except yachts, tugs, towboats, and unriggered vessels from certain provisions of the Act of June 25, 1936, as amended.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the provisions of section 1 of the Act of Congress approved June 25, 1936, as amended (U. S. C., 1934 edition, Supp. II, title 46, sec. 643), requiring the manning of certain merchant vessels by persons holding certificates of service or efficiency issued by the Bureau of Marine Inspection and Navigation shall not apply as to unriggered vessels, except seagoing barges, and that, insofar as said provisions apply to tugs and towboats, the said provisions are hereby modified as follows:

(a) Able seamen shall not be required in the deck crew of tugs and towboats on the bays and sounds connected directly with the seas, and every person may be rated an able seaman for the purpose

Use of funds authorized for survey of old Indian and Oglethorpe Trail.

Location of parkway.

June 16, 1938  
[H. R. 7158]  
[Public, No. 647]

Yachts, tugs, unriggered vessels, etc.  
Manning of certain merchant vessels by certificated personnel; exceptions.  
49 Stat. 1930.  
46 U. S. C., Supp. III, § 672.

Tugs and towboats.  
Able seamen in deck crew.



Service and rating;  
requirements.

Other provisions  
operative.

Crew quarters, un-  
rigged vessels, etc.

Continuous dis-  
charge book require-  
ments; exception.  
50 Stat. 49.  
46 U. S. C., Supp.  
III, § 643.

Definitions.  
"Unrigged vessel."  
"Seagoing barge."

28 Stat. 672.  
33 U. S. C. § 151.

of serving on tugs and towboats on the seas who is nineteen years of age and upwards and who has had at least eighteen months of service on deck at sea or on the Great Lakes or on the bays and sounds connected directly with the seas; and

(b) Service and rating at least equal to that of coal passer or wiper in the engine department of tugs and towboats operating on the seas or Great Lakes or on the bays and sounds connected directly with the seas shall be considered as meeting the requirement of subsection (e) of section 1 of said Act which requires that an applicant for rating under that subsection shall produce to the inspector of the Bureau of Marine Inspection and Navigation definite proof of at least six months' service at sea in a rating at least equal to that of coal passer or wiper in the engine department of vessels required by said Act to have such certificated men.

Nothing in this section shall restrict or modify any of the other provisions of section 1 of said Act which must be complied with before the certificates therein authorized can be granted.

SEC. 2. That the provisions of section 4 of the Act aforesaid shall not apply to unrigged vessels except seagoing barges.

SEC. 3. Provisions of section 4551 of the Revised Statutes of the United States, as amended, approved March 24, 1937 (Public, Numbered 25, Seventy-fifth Congress), shall not apply to unrigged vessels except seagoing barges.

SEC. 4. That when used in this Act—

(1) The term "unrigged vessel" means any vessel that is not self-propelled;

(2) The term "seagoing barge" means any barge which from its design and construction may be reasonably expected to encounter and ride out the ordinary perils of the seas and which in fact in the usual course of its operations passes outside the line dividing inland waters from the high seas, as defined in section 2 of the Act of February 19, 1895, as amended (U. S. C., 1934 edition, title 33, sec. 151).

Approved, June 16, 1938.

#### [CHAPTER 468]

#### AN ACT

To amend the Veterans' Regulation Numbered 10 pertaining to "line of duty" for peacetime veterans, their widows, and dependents, and for other purposes.

June 16, 1938  
[H. R. 7580]  
[Public, No. 648]

Veterans.  
Injury or disease in-  
curred in line of duty.  
Veterans' Regula-  
tion No. 10, amend-  
ment.  
38 U. S. C., ch. 12,  
Appendix.  
"in line of duty"  
construed.

Proviso.  
Requirement not  
considered met in  
specified cases.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That paragraphs VIII and IX of Executive Order Numbered 6098, dated March 31, 1933 (Veterans' Regulation Numbered 10 (39 U. S. C., ch. 12, Appendix)), be amended to read as follows:

"PAR. VIII. An injury or disease will be deemed to have been incurred 'in line of duty' when the person on whose account benefits are claimed was, at the time the injury was suffered or disease contracted, in the active service in the military or naval forces, whether on active duty or on authorized leave, unless it appears that the injury or disease has been caused by misconduct on his part: *Provided, however,* That the requirement will not be met if it appears that at the time the injury was suffered or disease contracted, the person on whose account benefits are claimed (1) was avoiding duty by deserting the service or by absenting himself without leave; (2) was confined under sentence of court martial or civil court or was resisting lawful arrest; (3) was relieved from all active performance of duty by command of his superior officer as a result of the intemperate use of drugs or alcoholic liquor or because of injury

or disease contracted or suffered as a result of his own misconduct; (4) was acting in disobedience of the lawful orders of his superior officer or in violation of the rules and regulations of his organization; or (5) whether at his post or lawfully absent, if the injury or disease was in fact, caused by something not involving misconduct but done in pursuing some private business or avocation.

"Where the injury or disease occurs while on leave, the burden of proof shall be on the claimant to show that it was incurred in the line of duty, but where the injury or disease occurs while at camp or post of duty, the burden shall be upon the Government to show that the disability was not in line of duty.

Where injury or disease occurs while on leave.

"PAR. IX. A disability will be held to have resulted from misconduct when it is due to venereal disease, unless it is affirmatively shown that the disease was, in fact, innocently acquired, or when caused by an act of commission or omission, wrong in itself; or by an act contrary to the principles of good morals; or as a result of gross negligence, gross carelessness, alcoholism, drug addiction, or self-infliction of wounds."

Disability due to venereal disease.

Approved, June 16, 1938.

#### [CHAPTER 469]

##### AN ACT

To authorize the Secretary of the Navy to accept on behalf of the United States certain land in the city of Los Angeles, California, with improvements thereon.

June 16, 1938  
[H. R. 9258]  
[Public, No. 649]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Navy is hereby authorized on behalf of the United States to accept from the city and county of Los Angeles, California, a site free from all encumbrances, the title in fee simple, together with the improvements, rights, privileges, and appurtenances belonging thereto, including an armory building constructed or to be constructed thereon, for use of the United States Naval and Marine Corps Reserve: *Provided*, That the acquisition of said land shall be without cost to the United States, and that the grading and landscaping of said land and the construction and completion of said armory building thereon shall not entail any obligation against appropriations of the Navy Department or relief funds apportioned to it: *Provided further*, That the acceptance by the Secretary of the Navy shall not be made until the grading and landscaping of said land and the construction of said armory building are satisfactorily completed.

Los Angeles, Calif.  
Acceptance of certain land and improvements in, authorized.

Use by Naval and Marine Corps Reserve.  
*Provided*.  
No Federal cost.

Conditions of acceptance.

Approved, June 16, 1938.

#### [CHAPTER 470]

##### AN ACT

To create a commission to procure a design for a flag for the District of Columbia, and for other purposes.

June 16, 1938  
[H. R. 9475]  
[Public, No. 650]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of War, the Secretary of the Navy, and the president of the Board of Commissioners of the District of Columbia be, and they are hereby, created a commission to procure a design for a distinctive flag for the District of Columbia, the seat of the Capital of the Nation: *Provided*, That in the selection of such design the commission hereby created shall have the advice of the Commission of Fine Arts.

District of Columbia, flag.  
Commission created to procure design for.

*Provided*.  
Advice of Commission of Fine Arts.

Approved, June 16, 1938.

## [CHAPTER 471]

## AN ACT

To amend the National Firearms Act.

June 16, 1938  
[H. R. 9610]  
[Public, No. 651]

National Firearms  
Act, amendment.  
48 Stat. 1237.  
26 U. S. C. § 1132a.

Taxes on certain  
types of firearms.

Transfer tax.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the first sentence of section 2 (a) of the National Firearms Act is amended by striking out the period at the end thereof and inserting a colon and the following: "*Provided*, That manufacturers and dealers in guns with two attached barrels from which only a single discharge can be made from either barrel without manual reloading shall pay the following taxes: Manufacturers, \$25 per year; dealers, \$1 per year."

SEC. 2. The first sentence of section 3 (a) of such Act is amended by striking out the period at the end thereof and inserting a colon and the following: "*Provided*, That the transfer tax on any gun with two attached barrels, twelve inches or more in length, from which only a single discharge can be made from either barrel without manual reloading, shall be at the rate of \$1."

Approved, June 16, 1938.

## [CHAPTER 472]

## AN ACT

To authorize the conveyance of the old lighthouse keeper's residence in Manitowoc, Wisconsin, to the Otto Oas Post Numbered 659, Veterans of Foreign Wars of the United States, Manitowoc, Wisconsin.

June 16, 1938  
[H. R. 9707]  
[Public, No. 652]

Manitowoc, Wis.,  
lighthouse keeper's  
residence.  
Conveyance to Otto  
Oas Post, No. 659,  
Veterans of Foreign  
Wars.

Reversionary provision.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, upon terms satisfactory to the Director of Procurement and at a price not less than 50 per centum of its value as of the date when possession of the hereinafter-described property was taken under lease by the hereinafter-designated post, as said value shall be estimated and determined by the Director of Procurement, the Secretary of Commerce is authorized and directed to convey, by quitclaim deed to the Otto Oas Post, Numbered 659, Veterans of Foreign Wars of the United States, of Manitowoc, Wisconsin, the old lighthouse keeper's residence in Manitowoc, Wisconsin, together with the land appurtenant thereto, being lots 1 and 2 in block 178 southwesterly corner of Fifth and York Streets, which is now leased to the said post of the Veterans of Foreign Wars of the United States, under a lease expiring on December 31, 1940, such land being no longer required for use by the Lighthouse Service. Should the Otto Oas Post, Numbered 659, Veterans of Foreign Wars, cease to occupy the property for club headquarters or alienate or attempt to alienate such property, title thereto shall revert to the United States.

Approved, June 16, 1938.

## [CHAPTER 473]

## AN ACT

To permit articles imported from foreign countries for the purpose of exhibition at the Seventh World's Poultry Congress and Exposition, Cleveland, Ohio, 1939, to be admitted without payment of tariff, and for other purposes.

June 16, 1938  
[H. R. 10155]  
[Public, No. 653]

Seventh World's  
Poultry Congress and  
Exposition, Cleve-  
land, Ohio, 1939.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That all articles which shall be imported from foreign countries for the purpose of exhibition at the international exposition to be held at Cleveland,

Ohio, beginning in July 1939 by the Seventh World's Poultry Congress and Exposition, or for use in constructing, installing, or maintaining foreign buildings or exhibits at the said exposition, upon which articles there shall be a tariff or customs duty shall be admitted without payment of such tariff, customs duty, fees, or charges under such regulations as the Secretary of the Treasury shall prescribe; but it shall be lawful at any time during and/or within three months after the close of the said exposition, to sell within the area of the exposition any articles provided for herein, subject to such regulations for the security of the revenue and for the collection of import duties as the Secretary of the Treasury shall prescribe: *Provided*, That all such articles, when withdrawn for consumption or use in the United States, shall be subject to the duties, if any, imposed upon such articles by the revenue laws in force at the date of their withdrawal; and on such articles, which shall have suffered diminution or deterioration from incidental handling or exposure, the duties, if payable, shall be assessed according to the appraised value at the time of withdrawal from entry hereunder for consumption or entry under the general tariff law: *Provided further*, That imported articles provided for herein shall not be subject to any marking requirements of the general tariff laws, except when such articles are withdrawn for consumption or use in the United States, in which case they shall not be released from customs custody until properly marked, but no additional duty shall be assessed because such articles were not sufficiently marked when imported into the United States: *Provided, further*, That at any time during or within three months after the close of the exposition, any article entered hereunder may be abandoned to the Government or destroyed under customs supervision, whereupon any duties on such article shall be remitted: *Provided further*, That articles, which have been admitted without payment of duty for exhibition under any tariff law and which have remained in continuous customs custody or under a customs exhibition bond, and imported articles in bonded warehouses under the general tariff law may be accorded the privilege of transfer to and entry for exhibition at the said exposition under such regulations as the Secretary of the Treasury shall prescribe: *And provided further*, That the Seventh World's Poultry Congress and Exposition shall be deemed, for customs purposes only to be the sole consignee of all merchandise imported under the provisions of this Act, and that the actual and necessary customs charges for labor, services, and other expenses in connection with the entry, examination, appraisement, release, or custody, together with the necessary charges for salaries of customs officers and employees in connection with the supervision, custody of, and accounting for articles imported under the provisions of this Act, shall be reimbursed by the Seventh World's Poultry Congress and Exposition to the Government of the United States under regulations to be prescribed by the Secretary of the Treasury, and that receipts from such reimbursements shall be deposited as refunds to the appropriation from which paid, in the manner provided for in section 524, Tariff Act of 1930.

Approved, June 16, 1938.

Dutiable articles, imported for exhibition purposes, etc., admitted free under regulations.

Sales permitted.

*Provisos.*  
Duty on articles withdrawn.

Deterioration allowance.

Marking requirements.

Abandoned articles.

Transfer privilege.

Exposition deemed sole consignee of merchandise.

Reimbursement for incurred Federal expenses.

Deposit of receipts as refunds.  
46 Stat. 741.  
19 U. S. C. § 1524.

## [CHAPTER 474]

## AN ACT

June 16, 1938  
[H. R. 10312]  
[Public, No. 654]

To amend section 3 of the Act entitled "An Act to protect the lives and health and morals of women and minor workers in the District of Columbia, and to establish a Minimum Wage Board, and to define its powers and duties, and to provide for the fixing of minimum wages for such workers, and for other purposes", approved September 19, 1918 (40 Stat. 960, Sixty-fifth Congress).

District of Columbia, Minimum Wage Board.  
Secretary and employees, salaries.

40 Stat. 961.

5 U. S. C. §§ 661-674;  
Supp. III, §§ 673, 673c.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 3 of the Act entitled "An Act to protect the lives and health and morals of women and minor workers in the District of Columbia, and to establish a Minimum Wage Board, and to define its powers and duties, and to provide for the fixing of minimum wages for such workers, and for other purposes", approved September 19, 1918 (40 Stat. 960, Sixty-fifth Congress), be amended by striking out the words "and receive such salary, not in excess of \$2,500 per annum, as may be fixed by the Board," and inserting in lieu thereof "The compensation of the Secretary and all other employees of the Board shall be fixed in accordance with the provisions of the Classification Act of 1923, as amended."

Approved, June 16, 1938.

## [CHAPTER 475]

## AN ACT

June 16, 1938  
[H. R. 10346]  
[Public, No. 655]

To extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Niobrara, Nebraska.

Missouri River.  
Time extended for bridging, at Niobrara, Nebr.

49 Stat. 1074, 1354; 50 Stat. 477.

Amendment.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the times for commencing and completing the construction of a bridge across the Missouri River at or near Niobrara, Nebraska, authorized to be built by the county of Knox, State of Nebraska, by section 32 of the Act of Congress approved August 30, 1935, amended by Acts of Congress approved May 18, 1936, and July 5, 1937, are extended one and three years, respectively, from August 30, 1938.

SEC. 2. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, June 16, 1938.

## [CHAPTER 476]

## AN ACT

June 16, 1938  
[H. R. 10672]  
[Public, No. 656]

To amend section 4197 of the Revised Statutes, as amended (U. S. C., 1934 edition, title 46, sec. 91), and section 4200 of the Revised Statutes (U. S. C., 1934 edition, title 46, sec. 92), and for other purposes.

Shipping.  
Clearance of vessels.  
R. S. § 4197.  
46 U. S. C. § 91;  
Supp. III, § 91.

Manifest of all cargo aboard and value thereof, by master, etc., before departure.

Penal provisions.  
Departure to foreign port without clearance; exception.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 4197 of the Revised Statutes of the United States (U. S. C., 1934 edition, title 46, sec. 91), be amended to read as follows:

"The master or person having the charge or command of any vessel bound to a foreign port shall deliver to the collector of the district from which such vessel is about to depart a manifest of all the cargo on board the same, and the value thereof, by him subscribed, and shall swear to the truth thereof; whereupon the collector shall grant a clearance for such vessel and her cargo, but without specifying the particulars thereof in the clearance, unless required by the master or other person having the charge or command of such vessel so to do. If any vessel bound to a foreign port (other than a licensed yacht not engaging in any trade nor in any way violating the revenue laws of the United States) departs from any port or place in the United

States without a clearance, or if the master delivers a false manifest, or does not answer truly the questions demanded of him, or, having received a clearance adds to the cargo of such vessel without having mentioned in the report outwards the intention to do so, or if the departure of the vessel is delayed beyond the second day after obtaining clearance without reporting the delay to the collector, the master or other person having the charge or command of such vessel shall be liable to a penalty of not more than \$1,000 nor less than \$500, or if the cargo consists in any part of narcotic drugs, or any spirits, wines, or other alcoholic liquors (sea stores excepted), a penalty of not more than \$5,000 nor less than \$1,000 for each offense, and the vessel shall be detained in any port of the United States until the said penalty is paid or secured: *Provided*, That in order that the commerce of the United States may move with expedition and without undue delay, the Secretary of Commerce is hereby authorized to make regulations permitting the master of any vessel taking on cargo for a foreign port or for a port in noncontiguous territory belonging to the United States to file a manifest as hereinbefore provided, and if the manifest be not a complete manifest and it so appears upon such manifest, the collector of customs may grant clearance to the vessel in the case of an incomplete manifest, taking from the owner of the vessel, who may act in the premises by a duly authorized attorney in fact, a bond with security approved by the collector of customs in the penal sum of \$1,000, conditioned that the master or someone for him will file a completed outward manifest not later than the fourth business day after the clearance of the vessel. In the event that the said complete outward manifest be not filed as required by the provisions of this section and the regulations made by the Secretary of Commerce in pursuance hereof, then a penalty of \$50 for each day's delinquency beyond the allowed period of four days for filing the completed manifest shall be exacted, and if the completed manifest be not filed within the three days following the four-day period, then for each succeeding day of delinquency a penalty of \$100 shall be exacted. Suit may be instituted in the name of the United States against the principal and surety on the bond for the recovery of any penalties that may accrue and be exacted in accordance with the terms of the bond."

SEC. 2. Section 4200 of the Revised Statutes of the United States (U. S. C., 1934 edition, title 46, sec. 92), is amended to read as follows:

"Before a clearance shall be granted for any vessel bound to a foreign port, the owners, shippers, or consignors of the cargo of such vessels shall deliver to the collector manifests of the cargo, or the parts thereof shipped by them respectively, and shall verify the same by oath. Such manifests shall specify the kinds and quantities of the articles shipped respectively, and the value of the total quantity of each kind of article; and the oath to each manifest shall state that it contains a full, just, and true account of all articles laden on board of such vessel by the owners, shippers, or consignors, respectively, and that the values of such articles are truly stated, according to their actual cost, or the values which they truly bear at the port and time of exportation. And before a clearance shall be granted for any such vessel, the master of that vessel, and the owners, shippers, and consignors of the cargo, shall state, upon oath, to the collector, the foreign port or country in which such cargo is truly intended to be landed. The oaths shall be taken and subscribed in writing: *Provided*, That in order that the commerce of the United States may move with expedition and without undue delay, the Secretary of Commerce is hereby authorized to make regulations permitting the clearance of a vessel having on board cargo destined to a foreign port or to a port in noncontiguous territory belonging to

False manifest, etc.  
Adding to cargo; departure delayed without reporting delay.

Penalty.  
In case of narcotics, spirits, etc.

Enforcement.

*Proviso.*  
Clearance without filing complete manifest, etc.; bond.

Penalty for delinquency.

Suit for recovery of penalties.

R. S. § 4200.  
46 U. S. C. § 92.  
*Post*, p. 1248.

Shippers', etc., manifests.

Verification.

Contents.

Sworn statement as to destination.

*Proviso.*  
Clearance without filing manifest, etc.; bond.  
*Post*, p. 1248.

Penalty for delinquency.

Suit for recovery of penalties.

Repeal, modification, etc., provision.

the United States, before delivery to the collector of customs of shippers' manifests or export declarations of the cargo laden on board. Upon receipt by the collector of a bond with security approved by him in the penal sum of \$1,000, conditioned that the complete shippers' manifests or export declarations of all cargo laden aboard such vessel shall be filed with him not later than the fourth business day after the clearance of the vessel. In the event that all of the shippers' manifests or export declarations are not filed as required by the provisions of this section and the regulations made by the Secretary of Commerce in pursuance hereof, then a penalty of \$50 for each day's delinquency beyond the allowed period of four days for filing all of the shippers' manifests or export declarations shall be exacted, and if all of the shippers' manifests or export declarations are not filed within the three days following the four-day period, then for each succeeding day of delinquency, a penalty of \$100 shall be exacted. Suit may be instituted in the name of the United States against the principal and surety on the bond for the recovery of any penalties that may accrue and be exacted in accordance with the terms of the bond."

SEC. 3. Nothing contained in this Act shall be taken to repeal, modify, alter, or amend any existing statute other than those specifically amended herein with respect to the necessary papers, documents, or licenses required to be produced by the master, owner, operator, or consignor, relating to the required prerequisites for the granting of clearance for a cargo destined to foreign ports or to a port in noncontiguous territory belonging to the United States.

Approved, June 16, 1938.

#### [CHAPTER 477]

#### AN ACT

June 16, 1938  
[H. R. 10772]  
[Public, No. 657]

To amend certain sections of the Act entitled "An Act providing for the public printing and binding and the distribution of public documents", approved January 12, 1895, as amended.

Printing Act of 1895, amendments.  
28 Stat. 615; 49 Stat. 1551.  
1 U. S. C., Supp. III, § 30; 44 U. S. C., Supp. III, § 196.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That so much of chapter 23, section 73 (28 Stat. 615), of the Printing Act, approved January 12, 1895, as amended (U. S. C., Supp. III, title 1, sec. 30, and title 44, sec. 196), as relates to the compiling, editing, and indexing of the United States Statutes at Large, be, and is hereby, amended to read as follows:

Statutes at Large.

Contents.

"196. STATUTES AT LARGE; CONTENTS; ADMISSIBILITY IN EVIDENCE.—That the Secretary of State shall cause to be compiled, edited, indexed, and published, the United States Statutes at Large, which shall contain all the laws and concurrent resolutions enacted during each regular session of Congress; all treaties to which the United States is a party that have been proclaimed since the date of the adjournment of the regular session of Congress next preceding; all international agreements other than treaties to which the United States is a party that have been signed, proclaimed, or with reference to which any other final formality has been executed, since that date; all proclamations by the President in the numbered series issued since that date; and also any amendments to the Constitution of the United States proposed or ratified pursuant to article V thereof since that date, together with the certificate of the Secretary of State issued in compliance with the provision contained in section 205 of the Revised Statutes of the United States (U. S. C., title 5, sec. 160). In the event of an extra session of Congress, the Secretary of State shall cause all the laws and concurrent resolutions enacted during said extra session to be consolidated with, and published as part of, the contents of the volume

R. S. § 205.  
5 U. S. C. § 160.  
Extra sessions of Congress.

for the next regular session. The United States Statutes at Large shall be legal evidence of the laws, concurrent resolutions, treaties, international agreements other than treaties, proclamations by the President, and proposed or ratified amendments to the Constitution of the United States therein contained, in all the courts of the United States, the several States, and the Territories and insular possessions of the United States."

SEC. 2. That so much of chapter 23, section 73 (28 Stat. 615), of the Printing Act, approved January 12, 1895, as amended (U. S. C., Supp. III, title 44, sec. 196a), as relates to the printing, binding, and distribution of the United States Statutes at Large, be, and is hereby, amended as follows:

(196a. SAME; DISTRIBUTION.) In the phrase "and after the final adjournment of each session of Congress", insert the word "regular" before the word "session", so that such phrase will read as follows: "and after the final adjournment of each regular session of Congress".

In the phrase "To the Senate Library, not to exceed twenty-five copies;" strike out the word "twenty-five" and insert "seventy-five", so that the phrase will read as follows: "To the Senate Library, not to exceed seventy-five copies;"

In the phrase "To the House Library, not to exceed fifty copies;" strike out the word "fifty" and insert "one hundred", so that the phrase will read as follows: "To the House Library, not to exceed one hundred copies;"

SEC. 3. That chapter 23, section 5 (28 Stat. 602), of the Printing Act, approved January 12, 1895 (U. S. C., title 44, sec. 7), relative to the opening of bids for furnishing paper and envelopes for the public printing and binding and blank paper required for the use of the Government, be, and is hereby, amended to read as follows:

"(7. Opening bids; bonds.) The sealed proposals to furnish paper and envelopes shall be opened in the presence of the Joint Committee on Printing and the contracts shall be awarded by them to the lowest and best bidder for the interest of the Government; but they shall not consider any proposal which is not accompanied by a bond with security or certified check in the amount of \$5,000 guaranteeing that the bidder or bidders, if his or their proposal is accepted, will enter into a formal contract with the United States to furnish the paper or envelopes specified; nor shall any proposal from persons unknown to them be considered unless accompanied by satisfactory evidence that the person making the proposal is a manufacturer of or dealer in the description of paper or envelopes proposed to be furnished."

SEC. 4. That all Acts or parts of Acts inconsistent with this Act are hereby repealed.

SEC. 5. That this Act shall be effective as of the beginning of the third session of the Seventy-fifth Congress, January 3, 1938.

Approved, June 16, 1938.

Admissibility in evidence.

28 Stat. 615; 49 Stat. 1531.  
44 U. S. C., Supp. III, § 196a.

Distribution.

Senate Library.

House Library.

Joint Committee on Printing.  
28 Stat. 602.  
44 U. S. C. § 7.

Opening bids for furnishing paper and envelopes.

Bond.

Evidence required of unknown bidders.

Inconsistent acts repealed.

Effective date.

#### [CHAPTER 478]

#### AN ACT

To extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near Natchez, Mississippi, and for other purposes.

June 16, 1938

[S. 3597]

[Public, No. 658]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the times for commencing and completing the construction of the bridge across the Mississippi River, at or near Natchez, Mississippi, authorized to be built by the city of Natchez and the county of Adams, State of Mississippi, by the Act of Congress approved August 30, 1935, heretofore extended by Acts of Congress approved May 1, 1936,

Mississippi River.  
Time extended for bridging, at Natchez, Miss.

49 Stat. 1069, 1255; 50 Stat. 562.



and August 5, 1937, are hereby further extended one and three years, respectively, from the date of approval hereof.

Amendment.

SEC. 2. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, June 16, 1938.

[CHAPTER 479]

AN ACT

June 16, 1938  
[S. 3611]  
[Public, No. 659]

To further extend the times for commencing and completing the construction of a bridge across the Missouri River between the towns of Decatur, Nebraska, and Onawa, Iowa.

Missouri River.  
Time extended for  
bridging, Decatur,  
Nebr., to Onawa,  
Iowa.

49 Stat. 1072, 1530; 50  
Stat. 48.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the times for commencing and completing the construction of a bridge across the Missouri River, between the towns of Decatur, Nebraska, and Onawa, Iowa, authorized to be built by the county of Burt, State of Nebraska, by section 29 of the Act of Congress approved August 30, 1935, heretofore extended by Act of Congress approved June 19, 1936, and further extended by Act of Congress approved March 24, 1937, are hereby further extended one and three years, respectively, from August 30, 1938.

Amendment.

SEC. 2. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, June 16, 1938.

[CHAPTER 480]

AN ACT

June 16, 1938  
[S. 3836]  
[Public, No. 660]

Relating to the manner of securing written consent for the reconcentration of cotton under section 383 (b) of the Agricultural Adjustment Act of 1938.

Agricultural Adjust-  
ment Act of 1938.  
*Ante*, p. 67.  
Reconcentration of  
cotton held as loan se-  
curity.  
Written consent of  
producer or borrower  
by separate instru-  
ment.  
Moving from one  
warehouse to another.

Not prerequisite to  
making loan.

*Proviso.*  
Exceptions.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in the administration of section 383 (b) of the Agricultural Adjustment Act of 1938 the written consent of the producer or borrower to the reconcentration of any cotton held as security for any loan heretofore or hereafter made or arranged for by the Commodity Credit Corporation shall not be deemed to have been given unless such consent shall have been given in an instrument made solely for that purpose. Notwithstanding any provision of any loan agreement heretofore made, no cotton held under any such agreement as security for any such loan shall be moved from one warehouse to another unless the written consent of the producer or borrower shall have been obtained in a separate instrument given solely for that purpose, as required by this Act. The giving of written consent for the reconcentration of cotton shall not be made a condition upon the making of any loan hereafter made or arranged for by the Commodity Credit Corporation: *Provided, however,* That in cases where there is congestion and lack of storage facilities, and the local warehouse certifies such fact and requests the Commodity Credit Corporation to move the cotton for reconcentration to some other point, or when the Commodity Credit Corporation determines such loan cotton is improperly warehoused and subject to damage, or if uninsured, or if any of the terms of the loan agreement are violated, or if carrying charges are substantially in excess of the average of carrying charges available elsewhere, and the local warehouse, after notice, declines to reduce such charges, such written consent as provided in this amendment need not be obtained; and consent to movement under any of the conditions of this proviso may be required in future loan agreements.

Approved, June 16, 1938.

## [CHAPTER 481]

## AN ACT

Authorizing the North Dakota State Highway Department and the Department of Highways of the State of Minnesota to construct, maintain, and operate a free highway bridge across the Red River.

June 16, 1938  
[S. 3867]  
[Public, No. 661]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the North Dakota State Highway Department and the Department of Highways of the State of Minnesota are authorized to construct, maintain, and operate a free highway bridge and approaches thereto across the Red River, at a point suitable to the interests of navigation, from a point in Walsh County, North Dakota, at or near the terminus of North Dakota State Highway Numbered 17, such point being located near the dividing line between sections 18 and 19, township 157 north, range 51 west, fourth principal meridian, to a point in Marshall County, Minnesota, located near the dividing line between sections 17 and 20, township 157 north, range 50 west, fourth principal meridian, in accordance with the provisions of the Act entitled "An Act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this Act.

Red River.  
North Dakota and  
Minnesota may  
bridge.

Location.

34 Stat. 84.  
33 U. S. C. §§ 491-  
498.

Acquisition of real  
estate, etc.

SEC. 2. There are hereby conferred upon the North Dakota State Highway Department and the Department of Highways of the State of Minnesota all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Amendment.

Approved, June 16, 1938.

## [CHAPTER 482]

## AN ACT

To extend the times for commencing and completing the construction of a bridge across the Piscataqua River at or near Portsmouth, New Hampshire.

June 16, 1938  
[S. 3893]  
[Public, No. 662]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the times for commencing and completing the construction of the bridge across the Piscataqua River, at or near Portsmouth, New Hampshire, authorized to be built by the Maine-New Hampshire Interstate Bridge Authority, by an Act of Congress approved July 28, 1937, are hereby extended one and three years, respectively, from the date of approval hereof.

Piscataqua River.  
Time extended for  
bridging, at Ports-  
mouth, N. H.

50 Stat. 535.

SEC. 2. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Amendment.

Approved, June 16, 1938.

## [CHAPTER 483]

## AN ACT

June 16, 1938  
[S. 3907]  
[Public, No. 663]

To further extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Garrison, North Dakota.

Missouri River.  
Time extended for  
bridging, at Garrison,  
N. Dak.

47 Stat. 43, 804; 48  
Stat. 946; 49 Stat. 288,  
1476.

Amendment.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the times for commencing and completing the construction of a bridge across the Missouri River, at or near Garrison, North Dakota, authorized to be built by the State of North Dakota, by the Act of Congress approved February 10, 1932, and heretofore extended by Acts of Congress approved February 14, 1933, and June 12, 1934, May 24, 1935, and June 5, 1936, are hereby further extended two and four years respectively, from June 12, 1937.

SEC. 2. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, June 16, 1938.

## [CHAPTER 484]

## AN ACT

June 16, 1938  
[S. 3990]  
[Public, No. 664]

To extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Miami, Missouri.

Missouri River.  
Time extended for  
bridging, at Miami,  
Mo.

49 Stat. 1093, 1536.

Amendment.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the times for commencing and completing the construction of a bridge across the Missouri River, at or near Miami, authorized to be built by Saline County, Missouri, by an Act of Congress approved January 16, 1936, and heretofore extended by an Act of Congress approved June 19, 1936, are hereby further extended one and three years, respectively, from the date of approval hereof.

SEC. 2. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, June 16, 1938.

## [CHAPTER 485]

## AN ACT

June 16, 1938  
[S. 4027]  
[Public, No. 665]

Providing that excess-land provisions of Federal reclamation laws shall not apply to certain lands that will receive a supplemental water supply from the Colorado-Big Thompson project.

Colorado-Big  
Thompson project.  
Excess-land provi-  
sions inapplicable to  
lands receiving sup-  
plemental water sup-  
ply from.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the excess-land provisions of the Federal reclamation laws shall not be applicable to lands which now have an irrigation water supply from sources other than a Federal reclamation project and which will receive a supplemental supply from the Colorado-Big Thompson project.

Approved, June 16, 1938.

## [CHAPTER 486]

## AN ACT

June 16, 1938  
[S. 4090]  
[Public, No. 666]

To provide for the care and treatment of juvenile delinquents.

Federal Juvenile  
Delinquency Act.  
Terms defined.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That for the purposes of this Act a "juvenile" is a person seventeen years of age or under, "juvenile delinquency" is an offense against the laws of the United States committed by a juvenile and not punishable by death or life imprisonment.

SEC. 2. Whenever any juvenile is charged with the commission of any offense against the laws of the United States, other than an offense punishable by death or life imprisonment, and such juvenile is not surrendered to the authorities of any State, pursuant to the provisions of the Act of June 11, 1932 (47 Stat. 301; U. S. C., title 18, sec. 662a), he shall be prosecuted as a juvenile delinquent if the Attorney General in his discretion so directs and the accused consents to such procedure. In such event such person shall be prosecuted by information on the charge of juvenile delinquency, and no prosecution shall be instituted for the specific offense alleged to have been committed by him. The said consent required to be given by such juvenile shall be given by him in writing before a judge of the district court of the United States having cognizance of the offense, who shall fully apprise the juvenile of his rights and of the consequences of such consent.

Prosecutions.

47 Stat. 301.  
18 U. S. C. § 662a.Consent by accused.  
Procedure.

SEC. 3. The district court of the United States having jurisdiction of the offense shall have jurisdiction to try persons prosecuted as juvenile delinquents. For such purposes the court may be convened at any time and place within the district, in chambers or otherwise. The trial shall be without a jury. The consent on the part of the juvenile to be prosecuted on a charge of juvenile delinquency shall be deemed a waiver of a trial by jury.

Court jurisdiction.

Consent deemed  
waiver of jury trial.

SEC. 4. In the event that the court finds such juvenile guilty of juvenile delinquency, it may place him on probation under the provisions of the Act of March 4, 1925, as amended (43 Stat. 1259; U. S. C., title 18, secs. 724 to 728), except that the period of probation may include but may not exceed the minority of the delinquent; or it may commit the delinquent to the custody of the Attorney General for a period not exceeding his minority, but in no event exceeding the term for which the juvenile could have been sentenced if he had been tried and convicted of the offense which he had committed. The Attorney General may designate any public or private agency for the custody, care, subsistence, education, and training of the juvenile during the period for which he was committed. The cost of such custody and care may be paid from the appropriation for "Support of United States prisoners" or such other appropriation as the Attorney General may designate.

Probation after con-  
viction; period, etc.43 Stat. 1259.  
18 U. S. C. §§ 724-  
728; Supp. III. § 725.  
Commitment to  
custody of Attorney  
General.Designation of agen-  
cy for custody, care,  
etc.Fund made avail-  
able for expenses.

SEC. 5. Whenever a juvenile is arrested on a charge of having committed an offense against the laws of the United States, the arresting officer shall immediately notify the Attorney General of such fact. If such juvenile is not forthwith taken before a committing magistrate, he may be detained in such juvenile home or other suitable place of detention as the Attorney General may designate for such purposes, but shall not be detained in a jail or similar place of detention, unless, in the opinion of the arresting officer, such detention is necessary to secure the custody of such juvenile, or to insure his safety or that of others. In no case shall such detention be for a longer period than is necessary to produce such juvenile before a committing magistrate. The committing magistrate may release such juvenile on bail, upon his own recognizance or that of some responsible person, or in default of bail may commit him to the custody of the United States marshal, who shall lodge him in such juvenile home or other suitable place of detention as the Attorney General may designate for that purpose. Such juvenile shall not be committed to a jail or other similar institution, unless in the opinion of the marshal it appears that such commitment is necessary to secure the custody of the juvenile or to insure his safety or that of others. A juvenile detained in a jail or similar institution shall be held in custody in a room or other place apart from adults if facilities for such segregation are available.

Arrests on Federal  
charges.  
Notice to Attorney  
General.

Detention.

Release on bail, etc.

Commitment to jail,  
etc., forbidden; ex-  
ception.Segregation from  
adults.

Contracts with agencies for custody, care, etc.  
Appropriation available.

Release on parole.

46 Stat. 272.  
18 U. S. C. §§ 723a-723c.

Application of provisions to District of Columbia.

Short title.

SEC. 6. The Director of the Bureau of Prisons may contract with public or private agencies for the custody, care, subsistence, education, and training of juvenile delinquents and may defray the cost of such custody, care, subsistence, education, and training from the appropriation for "Support of United States prisoners" or such other appropriation as the Attorney General may designate.

SEC. 7. A juvenile delinquent committed under this Act who has, by his conduct, given sufficient evidence that he has reformed, may be released on parole at any time by the Board of Parole established by the Act of May 13, 1930 (46 Stat. 272, ch. 255; U. S. C., title 18, sec. 723, subsecs. (a)-(c)). If it shall appear to the satisfaction of such Board that there is reasonable probability that such juvenile will, if conditionally released, remain at liberty without violating the law, then the Board may, in its discretion, parole such juvenile under conditions and regulations as the Board may deem proper.

SEC. 8. Nothing in this Act shall be construed to supersede or repeal any provisions of law relative to the custody, care, subsistence, education, or training of juveniles, which are now or may hereafter be made particularly applicable to the District of Columbia.

SEC. 9. This Act may be cited as "The Federal Juvenile Delinquency Act".

Approved, June 16, 1938.

#### [CHAPTER 487]

#### AN ACT

June 16, 1938  
[S. 4144]  
[Public, No. 667]

To amend section 1 of an Act entitled "An Act granting the consent of Congress to the county of Pierce, a legal subdivision of the State of Washington, to construct, maintain, and operate a toll bridge across Puget Sound, State of Washington, at or near a point commonly known as 'The Narrows'", and to extend the times for commencing and completing the construction of such bridge.

Puget Sound.  
Act authorizing bridge across, amended.

48 Stat. 810.  
Pierce County or Washington Toll Bridge Authority, Wash., may bridge at "The Narrows."

34 Stat. 84.  
33 U. S. C. §§ 491-498.

Time limitation extended.

49 Stat. 907; 50 Stat. 474.

Amendment.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 1 of an Act entitled "An Act granting the consent of Congress to the county of Pierce, a legal subdivision of the State of Washington, to construct, maintain, and operate a toll bridge across Puget Sound, State of Washington, at or near a point commonly known as 'The Narrows'", approved May 28, 1934, be amended to read as follows:

"SECTION 1. That the consent of Congress is hereby granted to the county of Pierce, a legal subdivision of the State of Washington, or to Washington Toll Bridge Authority, a legal agency of the State of Washington, to construct, maintain, and operate a bridge and approaches thereto across Puget Sound, State of Washington, at or near a point commonly known as 'The Narrows', at a point suitable to the interests of navigation, in accordance with the provisions of an Act entitled 'An Act to regulate the construction of bridges over navigable waters', approved March 23, 1906, and subject to the conditions and limitations contained in this Act."

SEC. 2. That the times for commencing and completing the construction of such bridge, heretofore extended by Acts of Congress approved August 27, 1935, and July 5, 1937, are hereby further extended one and three years, respectively, from July 5, 1938.

SEC. 3. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, June 16, 1938.

## [CHAPTER 488]

## JOINT RESOLUTION

To provide for the erection of a monument to the memory of General Peter Gabriel Muhlenberg.

June 16, 1938  
[H. J. Res. 631]  
[Pub. Res., No. 115]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the sum of \$25,000 be, and the same is hereby, authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for the erection of a monument to the memory of General Peter Gabriel Muhlenberg, at Woodstock, in the State of Virginia, with the advice of the Commission of Fine Arts. The said sum shall be expended under the direction of the Secretary of the Interior: *Provided*, That the county of Shenandoah or the citizens thereof shall cede and convey to the United States such suitable site as may in the judgment of the Secretary of the Interior be required for said monument: *And provided further*, That the United States shall have no responsibility for the care and upkeep of the monument.

General Peter Gabriel Muhlenberg, monument.  
Appropriation authorized for erection, at Woodstock, Va.

*Provisos.*  
Site.

Care and upkeep.

Approved, June 16, 1938.

## [CHAPTER 489]

## JOINT RESOLUTION

Amending paragraph (4) of subsection (n) of section 12B of the Federal Reserve Act, as amended.

June 16, 1938  
[H. J. Res. 655]  
[Pub. Res., No. 116]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That paragraph (4) of subsection (n) of section 12B of the Federal Reserve Act, as amended, is amended by striking out "Until July 1, 1938, whenever" and inserting in lieu thereof "Whenever".

Federal Deposit Insurance Corporation.  
Power to make loans, etc., to avert threatened loss.  
49 Stat. 1237.  
12 U. S. C., Supp. III, § 264 (n) (4).

Approved, June 16, 1938.

## [CHAPTER 490]

## JOINT RESOLUTION

Creating the Niagara Falls Bridge Commission and authorizing said Commission and its successors to construct, maintain, and operate a bridge across the Niagara River at or near the city of Niagara Falls, New York.

June 16, 1938  
[H. J. Res. 688]  
[Pub. Res., No. 117]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That in order to facilitate international commerce, the Niagara Falls Bridge Commission, hereinafter created, and hereinafter referred to as the Commission, and its successors and assigns, be, and are hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Niagara River, at or near the city of Niagara Falls, New York, and the city of Niagara Falls, Canada, at a point suitable to the interests of vehicular traffic, in accordance with the provisions of an Act entitled "An Act to regulate the construction of bridges over navigable waters", approved March 23, 1906, subject to the conditions and limitations contained in this joint resolution and subject to the approval of the proper authorities in the Dominion of Canada. For like purposes said Commission and its successors are hereby authorized to purchase, maintain, and operate all or any existing bridges across the Niagara River, subject to the conditions and limitations contained in this joint resolution and subject to the approval of the proper authorities in the Dominion of Canada.

Niagara River.  
Niagara Falls Bridge Commission may bridge, at Niagara Falls, N. Y.  
*Post*, p. 770.

34 Stat. 84.  
33 U. S. C. §§ 491-498.  
Approval of Canada.  
Purchase, operation, etc., of existing bridges authorized; limitations.

SEC. 2 There is hereby conferred upon the Commission and its successors and assigns all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use such real estate and

Acquisition of real estate, etc., in New York.

Acquisition of real estate, etc., in Canada

other property in the State of New York as may be needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State of New York, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation of private property for public purposes in such State, and the Commission and its successors or assigns may exercise in the Dominion of Canada all rights, powers, and authority which shall be granted or permitted to the Commission by the proper authorities of the Dominion of Canada or of the Province of Ontario, including the entering upon lands and acquiring, condemning, occupying, possessing, and using such real estate and other property in the Dominion of Canada as may be needed for such location, construction, operation, and maintenance of such bridge.

Tolls authorized.

SEC. 3. The Commission and its successors and assigns are hereby authorized to fix and charge tolls for transit over such bridge in accordance with the provisions of this joint resolution.

Bond issue to cover costs, etc.

SEC. 4. The Commission and its successors and assigns are hereby authorized to provide for the payment of the cost of the bridge and its approaches and the necessary lands, easements, and appurtenances thereto by an issue or issues of bonds of the Commission, bearing interest at not more than 6 per centum per annum, payable annually or at shorter intervals, maturing not more than forty years from their date of issuance, such bonds and the interest thereon, and any premium to be paid for retirement thereof before maturity, to be payable solely from the sinking fund provided in accordance with this joint resolution. Such bonds may be registrable as to principal alone or both principal and interest and shall be in such form not inconsistent with this joint resolution, and be payable at such place or places, as the Commission may determine. The Commission may repurchase and may reserve the right to redeem all or any of said bonds before maturity at prices not exceeding one hundred and five and accrued interest. The Commission may enter into an agreement with any bank or trust company in the United States as trustee having the power to make such agreement, setting forth the duties of the Commission in respect of the construction, maintenance, operation, repair, and insurance of the bridge; the conservation and application of all funds; the safeguarding of moneys on hand or on deposit; and the rights and remedies of said trustee and the holders of the bonds, restricting the individual right of action of the bondholders as is customary in trust agreements respecting bonds of corporations. Such trust agreement may contain such provision for protecting and enforcing the rights and remedies of the trustee and the bondholders as may be reasonable and proper and not inconsistent with the law and also a provision for approval by the original purchasers of the bonds of the employment of consulting engineers and of the security given by bridge contractors and by any bank or trust company in which the proceeds of bonds or of bridge tolls or other moneys of the Commission shall be deposited, and may provide that no contract for construction shall be made without the approval of the consulting engineers. The bridge constructed under the authority of this joint resolution shall be deemed to be an instrumentality for international commerce authorized by the Government of the United States, and said bridge and the income derived therefrom shall be exempt from all Federal, State, municipal, and local taxation, and said bonds and the interest thereon shall be exempt from all Federal, State, municipi-

Interest, maturity, etc.

Form.

Repurchase and redemption.

Agreement with any bank, etc., as trustee.

Provision for protecting rights, etc., of trustee and bondholders.

Proposed bridge deemed an instrumentality for international commerce.

Tax exemption.

pal, and local taxation. Said bonds shall be sold in such manner and at such price as the Commission may determine, such price to be not less than the price at which the interest-yield basis will equal 6 per centum per annum as computed from standard tables of bond values, and the face amount thereof shall be so calculated as to produce, at the price of their sale, the estimated cost of the bridge and its approaches and the land, easements, and appurtenances used in connection therewith. The cost of the bridge shall be deemed to include interest during construction of the bridge and for twenty-four months thereafter, and all engineering, legal, architectural, traffic surveying, and other expenses incident to the construction of the bridge or property, and incident to the financing thereof, including the cost of acquiring existing franchises, rights, plans, and works of and relating to the bridge, now owned by any person, firm, or corporation, and the cost of purchasing all or any part of the shares of stock of any such corporate owner if in the judgment of the Commission such purchases should be found expedient. If the proceeds of the bonds issued shall exceed the cost as finally determined, the excess shall be placed in the sinking fund hereinafter provided. Prior to the preparation of definitive bonds the Commission may under like restrictions issue temporary bonds with or without coupons, exchangeable for definitive bonds upon the issuance of the latter.

SEC. 5. In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintaining, repairing, and operating the bridge and its approaches under economical management and to provide a sinking fund sufficient to pay the principal and interest of such bonds as the same shall fall due and the redemption or repurchase price of all or any thereof redeemed or repurchased before maturity as herein provided. All tolls and other revenues from said bridge are hereby pledged to such uses and to the application thereof hereinafter in this section required. After payment or provision for payment therefrom of all such cost of maintaining, repairing, and operating and the reservation of an amount of money estimated to be sufficient for the same purpose during an ensuing period of not more than six months, the remainder of tolls collected shall be placed in the sinking fund, at intervals to be determined by the Commission prior to issuance of the bonds. An accurate record of the cost of the bridge and its approaches, the expenditures for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested. The Commission shall classify in a reasonable way all traffic over the bridge, so that the tolls shall be so fixed and adjusted by it as to be uniform in the application thereof to all traffic falling within any such reasonable class, regardless of the status or character of any person, firm, or corporation participating in such traffic, and shall prevent all use of such bridge for traffic except upon payment of the tolls so fixed and adjusted. No toll shall be charged officials or employees of the Commission or of the Governments of the United States or Canada or any State, Province, county, or municipality in the United States or Canada while in the discharge of their duties or municipal police or fire departments when engaged in the proper work of any such department.

SEC. 6. After payment of the bonds and interest, or after a sinking fund sufficient for such payment shall have been provided and shall be held for that purpose, the Commission shall deliver deeds or other suitable instruments of conveyance of the interest of the Commission in and to the bridge, that part within the United States to the State of New York or any municipality or agency thereof as may be author-

Bond sale.

Items included in cost.

Disposition of excess, if proceeds of bond issue exceed cost. Issuance of temporary bonds.

Application of tolls to maintenance, sinking fund, etc.

Residue to be placed in sinking fund.

Record of expenditures and receipts.

Classification of traffic.

Exemptions from toll charges.

Conveyance of interests after payment of bonds, etc.



Condition.	<p>ized by or pursuant to law to accept the same (hereinafter referred to as the United States interests) and that part within Canada to the Dominion of Canada or to such Province, municipality, or agency thereof as may be authorized by or pursuant to law to accept the same (hereinafter referred to as the Canadian interests), under the condition that the bridge shall thereafter be free of tolls and be properly maintained, operated, and repaired by the United States interests and the Canadian interests, as may be agreed upon; but if either the United States interests or the Canadian interests shall not be authorized to accept or shall not accept the same under such conditions, then the bridge shall continue to be owned, maintained, operated, and repaired by the Commission, and the rates of tolls shall be so adjusted as to provide a fund of not to exceed the amount necessary for the proper maintenance, repair, and operation of the bridge and its approaches under economical management, until such time as both the United States interests and the Canadian interests shall be authorized to accept and shall accept such conveyance under such conditions.</p>
Operation by commission if either interests fail to accept.	<p>SEC. 7. For the purpose of carrying into effect the objects stated in this joint resolution, there is hereby created the Niagara Falls Bridge Commission, and by that name, style, and title said body shall have perpetual succession; may contract and be contracted with; sue and be sued, implead and be impleaded, complain and defend in all courts of law and equity; may make and have a common seal; may purchase or otherwise acquire and hold or dispose of real estate and other property; may accept and receive donations or gifts of money or other property and apply same to the purposes of this joint resolution; and shall have and possess all powers necessary, convenient, or proper for carrying into effect the objects stated in this joint resolution.</p>
Niagara Falls Bridge Commission. Creation, corporate powers, etc.	<p>The Commission shall at all times consist of four members to be appointed by the Governor of the State of New York and four members to be appointed by the proper authorities of the Dominion of Canada or of the Province of Ontario. Any vacancy occurring in said Commission shall be filled by appointment by the Governor of the State of New York or by the proper authorities of the Dominion of Canada or of the Province of Ontario. Any officer of the United States Army, who may be appointed or elected a member of the Commission, may serve as such member notwithstanding the provisions of section 1222, Revised Statutes, or any other law. Each member of the Commission and their respective successors shall qualify by giving such bond as may be fixed by the comptroller of the State of New York, conditioned for the faithful performance of all duties required by this joint resolution. The Commission shall elect a chairman and a vice chairman from its members and may establish rules and regulations for the government of its own business. Five members shall constitute a quorum for the transaction of business.</p>
Commission membership.	<p>SEC. 8. The Commission shall have no capital stock or shares of interest or participation, and all revenues and receipts thereof shall be applied to the purposes specified in this joint resolution. The members of the Commission shall not be entitled to any compensation for their services but may employ a secretary, treasurer, engineers, attorneys, and such other experts, assistants, and employees as they may deem necessary, who shall be entitled to receive such compensation as the Commission may determine. After all bonds and interest thereon shall have been paid and all other obligations of the Commission paid or discharged, or provision for all such payment shall have been made as hereinbefore provided, and after the bridge shall have been conveyed to the United States interests and the Canadian</p>
Vacancies.	
Appointment of army officers; restrictions waived. R. S. § 1222. 10 U. S. C. § 576. Bond required.	
Organization; rules, quorum, etc.	
Capital stock, etc., restriction; application of revenues.	
Personal services.	
Provisions for dissolving Commission.	

interests as herein provided, or in the event that the bridge herein authorized is not constructed within five years from the date of approval of this joint resolution, the Commission shall be dissolved and shall cease to have further existence, by an order of the comptroller of the State of New York made upon his own initiative or upon application of the Commission or any member or members thereof, but only after a public hearing in the city of Niagara Falls, notice of the time and place of which hearing and the purpose thereof shall have been published once, at least thirty days before the date thereof, in a newspaper published in the city of Niagara Falls, New York, and a newspaper published in the city of Niagara Falls, Ontario, Canada. At the time of such dissolution, all moneys in the hands of or to the credit of the Commission shall be divided into two equal parts, one of which shall be paid to said United States interests and the other to said Canadian interests.

Public hearing,  
notice.

Division of moneys.

SEC. 9. Nothing herein contained shall be construed to authorize or permit the Commission or any member thereof to create any obligation or incur any liability other than such obligations and liabilities as are dischargeable solely from funds provided by this joint resolution. No obligation created or liability incurred pursuant to this joint resolution shall be an obligation or liability of any member or members of the Commission but shall be chargeable solely to the funds herein provided, nor shall any indebtedness created pursuant to this joint resolution be an indebtedness of the United States.

Creation of other ob-  
ligations, etc., for-  
bidden.

SEC. 10 All provisions of this joint resolution may be enforced, or the violation thereof prevented by mandamus, injunction, or other appropriate remedy brought by the attorney general for the State of New York, the United States district attorney for the district in which the bridge may be located in part, or by the solicitor general of the Dominion of Canada in any court having competent jurisdiction of the subject matter and of the parties.

Enforcement of pro-  
visions; remedies, etc.

SEC. 11. The right to alter, amend, or repeal this joint resolution is hereby expressly reserved.

Amendment, etc.

Approved, June 16, 1938.

## [CHAPTER 514]

## AN ACT

To quiet title and possession to certain islands in the Tennessee River in the counties of Colbert and Lauderdale, Alabama.

June 16, 1938  
[H. R. 7590]  
[Public, No. 668]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That all the right, title, and interest of the United States, except such right, title, and interest as has been acquired by the United States through purchase or condemnation, in and to all of the following-described property, to wit—

Colbert and Lauder-  
dale Counties, Ala.  
Release of U. S. title  
to designated islands  
to owners of equitable  
titles.

An island known as the "Brush Creek Island" lying in the Tennessee River in sections 14 and 15, township 2 south, range 14 west, in Lauderdale, Alabama; and

Description.

An island known as the "Bluff Creek Island" lying in the Tennessee River in section 19, township 2 south, range 13 west, in the county of Lauderdale, State of Alabama; and

An island known as the "Waterloo" or "Bledsoe Island" lying in the Tennessee River in section 12, township 2 south, range 15 west, in the county of Colbert, State of Alabama.

be, and the same is hereby, released, relinquished, and confirmed by the United States to the owners of the equitable titles thereto, as fully and completely in every respect whatever as could be done by

*Proviso.*  
Title of United  
States only, relin-  
quished.

patents issued according to law: *Provided*, That this Act shall amount to a relinquishment of any title the United States has or is supposed to have in and to any of the said lands and shall not be construed to abridge, impair, injure, prejudice, or divest in any manner any valid right, title, or interest of any person or body corporate whatever, the true intent of this Act being to concede and abandon all right, title, and interest of the United States to the lands described herein to those persons, estates, firms, or corporations who would be the equitable owners of said lands under the laws of the State of Alabama in the absence of the said interest, title, and estate of the United States.

Approved, June 16, 1938.

[CHAPTER 515]

AN ACT

June 16, 1938  
[H. R. 8134]  
[Public, No. 669]

To quiet title and possession to certain lands in the Tennessee River in the counties of Colbert and Lauderdale, Alabama.

Colbert and Lauderdale Counties, Ala.  
Release of U. S. title to designated tracts to owners of equitable titles.

Description.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That all the right, title, and interest of the United States, except such right, title, and interest as has been acquired by the United States through purchase or condemnation, in and to all of the following-described property, to wit:

A tract of land lying in Lauderdale County, State of Alabama, in the Tennessee River, in township 3 south, range 11 west, said tract being an island and more particularly described as follows:

An island named "Garner Towhead", lying in the Tennessee River, the upstream tip of which is approximately nine hundred and seventy feet south of and approximately two thousand seven hundred feet east of the northwest corner of section 31. Said island has an approximate maximum length of three thousand and forty feet and an approximate maximum width of four hundred and thirty feet.

The above-described island contains twenty-three and four-tenths acres, more or less; and

A tract of land lying in Lauderdale County, State of Alabama, in the Tennessee River, in township 3 south, range 11 west, said tract being an island and more particularly described as follows:

An unnamed island lying in the Tennessee River, the downstream tip of which is approximately one thousand five hundred and seventy feet south of and approximately two thousand six hundred and sixty feet east of the northwest corner of section 31. Said island has an approximate maximum length of one thousand two hundred and twenty feet and an approximate maximum width of two hundred and ninety feet.

The above-described island contains five and two-tenths acres, more or less; and

A tract of land lying in Lauderdale County, State of Alabama, in the Tennessee River, in townships 3 and 4 south, range 12 west, said tract being an island and more particularly described as follows:

An unnamed island lying in the Tennessee River, the downstream tip of which is approximately five thousand three hundred and forty feet south of and approximately two thousand two hundred and twenty feet east of the northwest corner of section 36. Said island has an approximate maximum length of five hundred and fifty feet and an approximate maximum width of ninety feet.

The above-described island contains eight-tenths acre, more or less; and

A tract of land lying in Lauderdale County, State of Alabama, in the Tennessee River, in township 3 south, range 11 west, said tract being an island and more particularly described as follows:

An unnamed island lying in the Tennessee River, the upstream tip of which is approximately two thousand seven hundred feet south of and approximately four hundred and thirty feet east of the northwest corner of section 31. Said island has an approximate maximum length of four hundred and forty feet and an approximate maximum width of three hundred and fifty feet.

The above-described island contains one and seven-tenths acres, more or less; and

A tract of land lying in Lauderdale County, State of Alabama, in the Tennessee River, in township 4 south, range 12 west, said tract being an island and more particularly described as follows:

An island known as "Pippin Towhead" lying in the Tennessee River, the downstream tip of which is approximately nine hundred and twenty feet south of and approximately two thousand six hundred feet east of the northwest corner of section 2. Said island has an approximate maximum length of three thousand six hundred and twenty feet and an approximate maximum width of six hundred and fifty feet.

The above-described island contains thirty-nine and five-tenths acres, more or less; and

A tract of land lying in Lauderdale County, State of Alabama, in the Tennessee River, in townships 3 and 4 south, range 12 west, said tract being an island and more particularly described as follows:

An island known as "No Man Towhead" lying in the Tennessee River, the upstream tip of which is approximately four thousand seven hundred feet south of and approximately two thousand seven hundred feet east of the northwest corner of section 36. Said island has an approximate maximum length of two thousand feet and approximate maximum width of three hundred feet.

The above-described island contains eleven and two-tenths acres, more or less; and

A tract of land lying in Lauderdale County, State of Alabama, in the Tennessee River, in township 3 south, ranges 11 and 12 west; said tract being an island and more particularly described as follows:

An island known as "Goat Towhead" lying in the Tennessee River; the downstream tip of which is approximately four thousand five hundred and twenty feet south of and approximately two thousand four hundred and forty feet east of the northwest corner of section 36. Said island has an approximate maximum length of three thousand six hundred and seventy feet and an approximate maximum width of seven hundred and forty feet.

The above-described island contains forty-five and three-tenths acres, more or less.

be, and the same is hereby, released, relinquished, and confirmed by the United States to the owners of the equitable titles thereto, as fully and completely in every respect whatever as could be done by patents issued according to law: *Provided*, That this Act shall amount to a relinquishment of any title the United States has or is supposed to have in and to any of the said lands and shall not be construed to abridge, impair, injure, prejudice, or divest in any manner any valid right, title, or interest of any person or body corporate whatever, the true intent of this Act being to concede and abandon all right, title, and interest of the United States to the

*Provided.*  
Title of United  
States only, relin-  
quished.

lands described herein to those persons, estates, firms, or corporations who would be the equitable owners of said lands under the laws of the State of Alabama in the absence of the said interest, title, and estate of the United States.

Approved, June 16, 1938.

[CHAPTER 516]

AN ACT

June 16, 1938  
[H. R. 8252]  
[Public, No. 670]

To quiet title and possession to a certain island in the Tennessee River in the County of Lauderdale, Alabama.

Lauderdale County,  
Ala.  
Release of U. S. title  
to Jenkins Island to  
owner of equitable  
title.  
Description.

Proviso.  
Title of United  
States only, relin-  
quished.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That all the right, title, and interest of the United States, except such right, title, and interest as has been acquired by the United States through purchase or condemnation, in and to the following-described property, to wit: An island known as the Jenkins Island, lying in the Tennessee River in section 19, township 2, range 13 west, in Lauderdale County, Alabama, be and the same is hereby, released, relinquished, and confirmed by the United States to the owner of the equitable title thereto as fully and completely in every respect whatever as could be done by patents issued according to law: *Provided*, That this Act shall amount to a relinquishment of any title the United States has or is supposed to have in and to said land and shall not be construed to abridge, impair, injure, prejudice, or divest in any manner any valid right, title, or interest of any person or body corporate whatever, the true intent of this Act being to concede and abandon all right, title, and interest of the United States to the land described herein to those persons, estates, firms, or corporations who would be the equitable owners of said land under the laws of the State of Alabama in the absence of the said interest, title, and estate of the United States.

Approved, June 16, 1938.

[CHAPTER 517]

AN ACT

June 16, 1938  
[H. R. 8673]  
[Public, No. 671]

For the relief of certain persons at certain projects of the Farm Security Administration, United States Department of Agriculture.

Farm Security Ad-  
ministration, Depart-  
ment of Agriculture.  
Relief of certain per-  
sons at designated  
projects.

Provisos.  
Deductions.

49 Stat. 2036.  
40 U. S. C., Supp.  
III, §433.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in the case of any person who was employed prior to June 30, 1935, at one of the following projects of the Farm Security Administration of the United States Department of Agriculture, formerly under the jurisdiction of the Division of Subsistence Homesteads of the United States Department of the Interior: Cumberland Homesteads, Crossville, Tennessee; Tygart Valley Homesteads, Elkins, West Virginia; Westmoreland Homesteads, Greensburg, Pennsylvania, and from whose wages there have been withheld any sums in pursuance of the operation of a so-called credit hour system at such projects, the Secretary of the Treasury is authorized and directed to pay to such person, out of any money in the Treasury not otherwise appropriated, upon the certification of the Secretary of Agriculture, a sum equal to the amounts so withheld: *Provided, however*, That there shall be deducted from such payments (for disposition as receipts derived from the operation of projects, as authorized by section 3 of the Act of June 29, 1936 (49 Stat. 2035), the amounts, as certified by the Secretary of Agriculture, of any current indebtedness to the United States in connection with such projects, and of any past indebtedness for which credit has been allowed to such person in the form of rent for occupancy or payments toward the purchase price of any homestead at

such projects: *Provided further*, That in the case of any such person who has voluntarily withdrawn or has been dismissed from one of such projects, and who has received any cash settlement on account of accrued credit hours, there shall be deducted from such payments a sum equal to the amount of such cash settlement.

Approved, June 16, 1938.

Separations, deductions from payments.

## [CHAPTER 518]

## JOINT RESOLUTION

To prescribe the acreage allotments for wheat for 1939.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 333 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding at the end thereof a sentence to read as follows: "The national acreage allotment for wheat for 1939 shall be not less than fifty-five million acres."

Approved, June 20, 1938.

June 20, 1938  
[S. J. Res. 308]  
[Pub. Res., No. 118]

Agricultural Adjustment Act of 1938, amendment.  
*Ante*, p. 53.  
National acreage allotment for wheat for 1939.

## [CHAPTER 519]

## JOINT RESOLUTION

For the observance of the celebration of the one hundred and twenty-fifth anniversary of the Battle of Lake Erie.

Whereas September 1938 is the one hundred and twenty-fifth anniversary of the Battle of Lake Erie; and

Whereas the Battle of Lake Erie, won by Oliver Hazard Perry, is one of America's most noted heroic examples of patriotism and the overcoming of almost overwhelming odds, known to every school child in the United States; and

Whereas this naval victory was more than a victory upon the Great Lakes, but decided the fate of the War of 1812, and by Perry's victory saved, won, and opened to the United States the great Western Territory, thus making us a Nation; and

Whereas this famous battle was won near Put in Bay, in the waters of Lake Erie, just north of Sandusky, Ohio; and

Whereas Congress has already recognized this important chapter of American history by making Perry's Victory Memorial, located at Put in Bay, Ohio, a national shrine of patriotism; and

Whereas the shadow of war lurks over a great portion of the world and, in contrast thereto, this celebration would offer an opportunity to focus world-wide attention upon the desire of the people of the United States to promote peace and neighborliness with all nations, as symbolized by the boundary line near this scene where understanding and friendship are the only sentries needed to guard the relationships between the United States and Canada: Therefore be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That there be appointed a commission to prepare and bring about a suitable celebration of the one hundred and twenty-fifth anniversary of the Battle of Lake Erie, and that September 10, 1938, be established as the date of this celebration at Sandusky and Put in Bay, Ohio; said commission to be composed of five men selected by the Speaker of the House of Representatives.

SEC. 2. That there be authorized to be appropriated, out of available funds, the sum of \$25,000 for the purpose of carrying out the provisions of this joint resolution.

Approved, June 20, 1938.

June 20, 1938  
[H. J. Res. 620]  
[Pub. Res., No. 119]

Battle of Lake Erie.  
Preamble.

Appointment of commission to prepare suitable celebration of 125th anniversary.

Composition.

Appropriation authorized.  
*Post*, p. 1117.

## [CHAPTER 520]

## JOINT RESOLUTION

June 20, 1938  
[H. J. Res. 711]  
[Pub. Res., No. 120]

Providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

Smithsonian Institution.  
R. Walton Moore reappointed Regent of.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, caused by the expiration of the term of R. Walton Moore, June 29, 1938, be filled by the appointment of R. Walton Moore, a citizen of Virginia, to succeed himself, for the statutory term of six years.

Approved, June 20, 1938.

## [CHAPTER 521]

## JOINT RESOLUTION

June 20, 1938  
[H. J. Res. 712]  
[Pub. Res., No. 121]

Providing for the filling of a vacancy in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress.

Smithsonian Institution.  
Arthur H. Compton appointed Regent of.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the vacancy in the Board of Regents of the Smithsonian Institution, of the class other than Members of Congress, caused by the death of Augustus P. Loring, be filled by the appointment of Arthur H. Compton, a citizen of Illinois, for the statutory term of six years.

Approved, June 20, 1938.

## [CHAPTER 522]

## AN ACT

June 20, 1938  
[S. 2629]  
[Public, No. 672]

To authorize an exchange of lands between the city of San Diego, California, and the United States.

San Diego, Calif.  
Exchange of lands with, authorized.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of the Navy be, and he is hereby, authorized to transfer to the city of San Diego, California, free from all encumbrances and without cost to said city of San Diego, all right, title, and interest to the land contained within that part of the Naval Supply Depot described as follows:

Lands transferred by United States.

All that portion of the former military reservation heretofore known as the San Diego Barracks, situated in the city of San Diego, State of California, comprising block 31 of New San Diego according to the map of New San Diego made by A. B. Gray and J. D. Johns, and on file in the office of the county recorder of San Diego County, said lot being also shown on P. W. drawing numbered NT4 4/31-13 (2), bearing the legend "Naval Operating Base, San Diego, California, Supply Depot, Block 31—New San Diego, Transferred from War Department to Navy Department by Executive Order 7451 dated September 17, 1936".

Lands conveyed by city to United States.

in consideration of the transfer to the United States by said city of San Diego, free from all encumbrances and without cost to the United States except as hereinafter provided of all right, title, and interest to the lands contained within the following-described areas:

**PARCEL NUMBERED 1.**—Beginning at the northeast corner of block 18, according to map of municipal tidelands subdivision tract numbered 1, filed in the office of the city clerk of the city of San Diego and numbered Document Numbered 100007; thence north eighty-nine

degrees fifty-eight minutes twenty seconds west along the northerly boundary of said block 18, two hundred feet to its northwesterly corner; thence south no degree one minute forty seconds west on a line parallel to and distant two hundred feet easterly from the existing United States bulkhead line for the Bay of San Diego, a distance of three hundred and fifteen one-hundredths feet to a point; thence south eighty-nine degrees fifty-eight minutes twenty seconds east at right angles to last-described course a distance of two hundred feet to a point; thence north no degree one minute forty seconds east at right angles to the last-described course, a distance of three hundred and fifteen one-hundredths feet to the point or place of beginning, containing sixty thousand and thirty square feet or one and three thousand seven hundred and eighty-one ten-thousandths acres of land, more or less.

**PARCEL NUMBERED 2.**—Beginning at the northwesterly corner of block 19, according to map of municipal tidelands subdivision tract numbered 1, filed in the office of the city clerk of the city of San Diego, and numbered document numbered 100007; thence south no degree one minute forty seconds west on a line parallel to and distant five hundred feet easterly from the existing United States bulkhead line for the Bay of San Diego a distance of three hundred and fifteen one-hundredths feet to a point; thence south eighty-nine degrees fifty-eight minutes twenty seconds east at right angles to the last-described course a distance of one hundred and eighty and sixteen one-hundredths feet to a point; thence north no degree one minute forty seconds east on a line parallel to and distant six hundred and eighty and sixteen one-hundredths feet easterly from the said United States bulkhead line a distance of three hundred and fifteen one-hundredths feet to a point; thence north eighty-nine degrees fifty-eight minutes twenty seconds west at right angles to the last-described course a distance of one hundred and eighty and sixteen one-hundredths feet to the point or place of beginning, containing fifty-four thousand and seventy-five square feet or one and two thousand four hundred and fourteen ten-thousandths acres of land, more or less: *Provided*, That the Secretary of the Navy may acquire by purchase the outstanding leasehold interest in and existing improvements on said block 19.

**SEC. 2.** There is authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, such sums as may be necessary to effectuate the purposes of this Act, but not to exceed \$18,000.

Approved, June 20, 1938.

*Proviso.*  
Acquisition of leasehold interest in and improvements on block 19.  
Appropriation authorized.

[CHAPTER 523]

#### AN ACT

For the relief of the State of Georgia.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the State of Georgia and Major Leroy Cowart, United States property and disbursing officer for Georgia, are hereby relieved from accountability for certain property belonging to the United States, of the total money value of \$4,491.65, which property was loaned to such State for use by the Georgia National Guard and was unavoidably lost or destroyed when issued for emergency relief work made necessary by tornadoes at Cordele, Washington, and Gainesville, Georgia, in April 1936.

Approved, June 20, 1938.

June 20, 1938  
[S. 3263]  
[Public, No. 673]

State of Georgia, etc.  
Release of accountability for lost Federal property.



## [CHAPTER 524]

## AN ACT

June 20, 1938  
[S. 3415]  
[Public, No. 674]

To purchase certain private lands within the Shoshone (Wind River) Indian Reservation.

Shoshone (Wind River) Indian Reservation, Wyo.  
Purchase of certain private lands within, authorized.

## Description.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That upon conveyance to the United States of America in trust for the Indians of the Shoshone (Wind River) Reservation, Wyoming, of title, satisfactory to the Secretary of the Interior, to the lands described below, the Secretary of the Treasury is hereby authorized and directed to pay to A. L. Simpson, out of any money in the Treasury not otherwise appropriated, the sum of \$2,700: The northeast quarter northwest quarter section 26, southeast quarter southwest quarter section 23, and a tract beginning at the southwest corner of the southeast quarter northwest quarter section 23; thence north one thousand and forty-two feet; thence south forty-six degrees fifty-one minutes east approximately nine hundred and seven and three-tenths feet to the east line of the west half southeast quarter northwest quarter section 23; thence south to the southeast corner of the southwest quarter southeast quarter northwest quarter section 23; thence west to the point of beginning, all being in township 1 south, range 3 east, Wind River meridian, Wyoming, containing approximately ninety-one and one hundred and seven one-thousandths acres.

Approved, June 20, 1938.

## [CHAPTER 525]

## AN ACT

June 20, 1938  
[S. 3426]  
[Public, No. 675]

To authorize an appropriation for repayment to the Middle Rio Grande Conservancy District, a subdivision of the State of New Mexico, of the share of the said district's construction and operation and maintenance costs applicable to certain properties owned by the United States, situate in Bernalillo County, New Mexico, within the exterior boundaries of the district; to authorize the Secretary of the Interior to contract with said district for future operation and maintenance charges against said lands; to authorize appropriation for extra construction work performed by said district for the special benefit of certain Pueblo Indian lands and to authorize appropriation for construction expenditures benefiting certain acquired lands of Pueblo Indians of the State of New Mexico.

Middle Rio Grande Conservancy District.  
Repayment to, of unpaid share of construction costs for conservation, etc.  
Appropriation authorized.

## Description of lands.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$20,470.71 for repayment to the Middle Rio Grande Conservancy District, a corporate political subdivision of the State of New Mexico, of the unpaid share of the construction costs of said district for conservation, irrigation, drainage, and flood control applicable to the following-described lands in the county of Bernalillo, State of New Mexico, within the exterior boundaries of said district:

One hundred and forty-two and nine one-hundredths acres in Bernalillo County, New Mexico, known and described as the Lands of the Albuquerque Indian School of the Department of the Interior, United States of America, the lands so described being owned by the United States and having been materially benefited by the construction works of the said district, and the share of the costs of such construction having been determined by an appraisal of benefits made by the said district's board of appraisers at the same time and in the same manner and on the same basis as appraisals made against other lands in the said district, and the assessments made thereon by the Board of com-

missioners of said district being the same as that made against like lands similarly situated.

SEC. 2. That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$1,539.65 for repayment to the Middle Rio Grande Conservancy District for the equal and pro rata assessment for operation and maintenance costs for the years 1934, 1935, 1936, and 1937 against lands described in section 1 of this Act.

Operation and maintenance costs for years 1934-1937, inclusive. Appropriation authorized.

SEC. 3. That the Secretary of the Interior be, and he is hereby, authorized and directed to enter into an agreement with the Middle Rio Grande Conservancy District for the payment of future operation and maintenance costs which shall be levied and assessed against the properties described in section 1, the said agreement to provide that all assessments and levies thereunder shall be on the same equal basis as assessments and levies against other lands similarly situated or assessed in said district.

Agreement for payment of future operation, etc., costs.

The said operation and maintenance charge to be upon all lands included within the Albuquerque Indian School in Bernalillo County, New Mexico.

Operation, etc., charge to be on Albuquerque Indian school lands.

SEC. 4. That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to be reimbursed in accordance with existing law, the sum of \$3,338.17 for repayment to the Middle Rio Grande Conservancy District of the cost of extra construction works performed by the district for the special benefit of certain Indian lands belonging to certain Pueblo Indians of New Mexico situate within the exterior boundaries of said district, such works not having been provided for in the district's approved official plan but which were constructed at the instance and request of agents of the Bureau of Indian Affairs.

Extra construction for special benefit of certain Indian lands. Appropriation authorized.

SEC. 5. That the provisions of the Act of August 27, 1935 (49 Stat. 887), authorizing the Secretary of the Interior to provide by agreement with the Middle Rio Grande Conservancy District, a subdivision of the State of New Mexico, for maintenance and operation on newly reclaimed Pueblo Indian lands in the Rio Grande Valley, New Mexico, reclaimed under previous Act of Congress, and authorizing an annual appropriation to pay the cost thereof for a period of not to exceed five years, are hereby extended for an additional period of five years to 1945, and the provisions of this section shall be applicable to lands purchased by the United States for certain Pueblo Indians of New Mexico under and by virtue of the Act of June 7, 1924 (43 Stat. 636), as amended.

Provisions for maintenance, newly reclaimed Pueblo Indian lands, extended. 49 Stat. 887.

Approved, June 20, 1938.

Application to lands purchased by U. S. for certain Pueblo Indians of New Mexico. 43 Stat. 636.

# [CHAPTER 526]

## AN ACT

To amend section 128 of the Judicial Code, as amended.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsection (a) of section 128 of the Judicial Code, as amended (43 Stat. 936; U. S. C., title 28, sec. 225 (a)), be, and it is hereby, amended to read as follows:

"(a) The circuit courts of appeal shall have appellate jurisdiction to review by appeal final decisions—

"First. In the district courts, in all cases save where a direct review of the decision may be had in the Supreme Court under section 238.

"Second. In the United States District Courts for Hawaii and for Puerto Rico, in all cases.

June 20, 1938  
[S. 3469]  
[Public, No. 676]

Judicial Code, amendment.  
36 Stat. 1133; 43 Stat. 936.  
28 U. S. C. § 225 (a).

Circuit courts of appeals, jurisdiction to review final decisions.  
District courts; exception.

District Courts for Hawaii and Puerto Rico.

District Court for Alaska, etc., Virgin Islands; Canal Zone in designated cases.  
7 C. Z. Code, §§ 61-62.

Supreme Courts of Hawaii and of Puerto Rico in designated cases.

United States Court for China.

"Third. In the District Court for the District of Alaska, or any division thereof, and in the District Court of the Virgin Islands, in all cases; and in the United States District Court for the District of the Canal Zone in the cases and modes prescribed in sections 61 and 62, title 7, Canal Zone Code (48 Stat. 1122).

"Fourth. In the Supreme Courts of the Territory of Hawaii and of Puerto Rico, in all cases, civil or criminal, wherein the Constitution or a statute or treaty of the United States or any authority exercised thereunder is involved; in all other civil cases wherein the value in controversy, exclusive of interests and costs, exceeds \$5,000, and in all habeas corpus proceedings.

"Fifth. In the United States Court for China, in all cases."

Approved, June 20, 1938.

#### [CHAPTER 527]

#### AN ACT

June 20, 1938  
[S. 3754]  
[Public, No. 677]

To amend sections 729 and 743 of the Code of Laws of the District of Columbia.

District of Columbia Code, amendments.  
31 Stat. 1306, 1309.

Trust companies.  
Capital stock, division into shares; amount.

Increase or decrease of capital stock.

Reduction of capital; procedure; limitation.

Approval by Comptroller of the Currency.

Approval by stockholders.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That sections 729 (31 Stat. 1306) and 743 (31 Stat. 1309) of chapter XVIII of the Code of Laws of the District of Columbia are amended as follows:

That the first sentence of the said section 729 be amended so as to read as follows: "The capital stock of every such company shall be divided into shares of \$100 each, or into shares of such less amount as may be provided in the certificate of incorporation or amendment thereof."

That the title of the said section 743 be amended to read as follows: "Increase or Decrease of Capital Stock".

That the said section 743 be amended by adding at the end thereof the following new paragraph:

"Any company transacting the business of a trust company heretofore or hereafter organized or operating under the provisions of this subchapter may by the vote of shareholders owning two-thirds of its capital stock reduce its capital to any sum not below the amount required by this subchapter; but no such reduction shall be made until the amount of the proposed reduction has been reported to the Comptroller of the Currency and such reduction has been approved by said Comptroller of the Currency, and no shareholder shall be entitled to any distribution of cash or other assets by reason of any reduction of the common capital of any such corporation unless such distribution shall have been approved by the Comptroller of the Currency and by the affirmative vote of at least two-thirds of the shares of stock outstanding."

Approved, June 20, 1938.

#### [CHAPTER 528]

#### AN ACT

June 20, 1938  
[S. 4050]  
[Public, No. 678]

To repeal section 2 of the Act of June 16, 1936, authorizing the appointment of an additional district judge for the eastern district of Pennsylvania.

Pennsylvania eastern judicial district.  
Additional judge for; filling of vacancy.  
49 Stat. 1523.  
28 U. S. C., Supp. III, § 4k.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 2 of the Act entitled "An Act authorizing the appointment of an additional district judge for the eastern district of Pennsylvania", approved June 16, 1936 (49 Stat. 1523), be, and it is hereby, repealed.

Approved, June 20, 1938.

## [CHAPTER 529]

## AN ACT

To add certain lands to the Rio Grande National Forest, Colorado.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following-described lands be, and the same are hereby, added to and made a part of the Rio Grande National Forest in the State of Colorado, subject to prior adverse rights, and are to be hereafter administered under the laws and regulations relating to the national forests:

June 20, 1938  
[H. R. 152]  
[Public, No. 679]

Rio Grande National Forest, Colo.  
Lands added.

Description.

## NEW MEXICO PRINCIPAL MERIDIAN

Sections 21 and 22, and sections 25 to 36, inclusive, township 42 north, range 5 east.

Sections 31, 32, and 33, township 42 north, range 6 east.

East half section 7; sections 8 to 17, inclusive; east half section 18; sections 19 to 29, inclusive; east half section 30; sections 32 to 36, inclusive; township 41 north, range 4 east.

All of township 41 north, range 5 east.

West half of township 41 north, range 6 east.

Sections 1 to 5, inclusive, and sections 8 to 19, inclusive, township 40 north, range 4 east.

Sections 1 to 6, inclusive, township 40 north, range 5 east.

Sections 4, 5, and 6, township 40 north, range 6 east.

Sections 4, 10, 11, 12, 13; northwest quarter section 14; east half northwest quarter, northeast quarter section 15; sections 24, 25, and 36; township 39 north, range 4 east.

Sections 13 to 36, inclusive, township 39 north, range 5 east.

Sections 16 to 21, inclusive, and sections 28 to 33, inclusive, township 39 north, range 6 east.

Section 1, east half section 2, northeast quarter section 11, sections 12 to 13, north half and southeast quarter section 24, township 38 north, range 5 east.

Sections 4 to 9, inclusive, and sections 16 to 21, inclusive, township 38 north, range 6 east.

Approved, June 20, 1938.

## [CHAPTER 530]

## AN ACT

To add certain lands on the island of Hawaii to the Hawaii National Park, and for other purposes.

June 20, 1938  
[H. R. 1995]  
[Public, No. 680]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That when title to all or any of the following-described lands on the island of Hawaii, in the Territory of Hawaii, shall be vested in the United States, such lands shall be, and the same are hereby, added to and made a part of the Hawaii National Park:

Hawaii National Park.  
Lands added.

Kalapana extension (being portions of the lands of Kahaualea, Panaunui, and Apua and all of the lands of Poupou, Pulama, Kamomoa, Laeapuki, Panauiki, Kealakomo, and Kahue, in the district of Puna, and portion of the land of Keauhou, in the district of Kau): Beginning at the United States Coast and Geodetic Survey triangulation station Kupapau (marked by a survey tablet set in large rock), the true azimuth and distance from said point of beginning to the United States Coast and Geodetic Survey triangulation station Hakuma (marked by a United States Coast and Geodetic Survey tablet set in smooth lava outcrop and surrounded by a circular patch of cement near edge of sea pali) being two hundred and forty-four

Description.  
Kalapana extension.

degrees forty minutes and fifty seconds exactly fourteen thousand four hundred and thirteen feet and running as follows, all azimuths being measured clockwise from true south (note azimuths of courses 1 to 4, inclusive, are referred to Hakuma meridian):

Along the seacoast at high-water mark, in a general southwesterly direction for the first five courses, the true azimuths and distances between points on said seacoast being—

1. Exactly sixty-six degrees and fifteen minutes twenty-six thousand three hundred and thirty-six and six-tenths feet to United States Coast and Geodetic Survey station Laeapuki, marked by a survey tablet set in mound and covered by a small cairn;

2. Exactly sixty degrees and ten minutes eighteen thousand seven hundred feet to Kaena Point;

3. Exactly seventy-one degrees and fifty-six minutes, twenty-one thousand three hundred and fifty feet to Apua Point;

4. Exactly ninety-eight degrees and forty-five minutes seven thousand four hundred feet to a pipe in concrete at a place called Okio-kiahu (note: azimuths of courses 5 to 11, inclusive, are referred to Uwekahuna meridian);

5. One hundred and nine degrees fifty-seven minutes and twenty-two seconds ten thousand seven hundred and seventeen and nine-tenths feet to a pipe in concrete at a place called Makaloa; thence

6. One hundred and seventy degrees four minutes and thirty-nine seconds exactly six thousand eight hundred feet along Hawaii National Park, Kilauea section, to the foot of the Puueo pali;

7. Two hundred and forty-three degrees five minutes and thirty seconds exactly one thousand nine hundred and seventy-three feet along the foot of Puueo pali along portion of the land of Keauhou;

8. Exactly two hundred and eighty-six degrees fifty minutes exactly nine thousand seven hundred feet along portion of the land of Keauhou;

9. One hundred and seventy-eight degrees thirty-eight minutes and twenty-five seconds exactly twelve thousand five hundred feet along portion of the land of Keauhou to a pipe in concrete at top of the Poliokeawe pali;

10. One hundred and sixty-six degrees twenty-two minutes and twenty-four seconds twelve thousand four hundred and sixty-seven and nine-tenths feet along portion of the land of Keauhou to a pipe in concrete on the south boundary of Hawaii National Park, Kilauea section;

11. Exactly two hundred and sixty-nine degrees and ten minutes twenty-one thousand one hundred forty-six and five-tenths feet along Hawaii National Park, Kilauea section, to a pipe (note: azimuths of courses 12 and 13 are referred to Puu Huluhulu meridian);

12. Exactly two hundred and eleven degrees and thirty minutes thirteen thousand seventy-four and seven-tenths feet along Hawaii National Park, Kilauea section, to a pipe;

13. Exactly two hundred and eighty-one degrees exactly two thousand nine hundred and thirty-one feet along portion of the land of Kahaualea (note: azimuths of courses 14 to 24, inclusive, are referred to Hakuma meridian);

14. Exactly two hundred and twelve degrees and thirty minutes exactly eight thousand and fifteen feet along the land of Kahaualea;

15. Exactly two hundred and ninety-seven degrees and fifteen minutes exactly twenty-four thousand five hundred and fifty-two feet along the land of Kahaualea;

16. Exactly two hundred and forty-five degrees and fifty-eight minutes exactly six thousand one hundred and sixty-eight feet along the land of Kahaualea;

17. Exactly three hundred and twenty-six degrees and thirty-one minutes exactly five thousand two hundred and forty-eight feet along the land of Kahaualea;

18. Exactly three hundred and fifty-nine degrees and fifteen minutes exactly four hundred and forty-five feet along the land of Kahaualea;

19. Exactly three hundred and twenty-nine degrees exactly two thousand two hundred and eleven feet along the land of Kahaualea;

20. Two hundred and thirty-four degrees thirty-nine minutes and forty seconds exactly three thousand two hundred and eighty-three feet across portion of the land of Kahaualea;

21. Exactly three hundred and thirty-eight degrees and twelve minutes three thousand nine hundred and twenty-seven and five-tenths feet along the land of Kapaahu;

22. Exactly three hundred and thirty-four degrees and thirty minutes exactly one thousand seven hundred and eighty feet along the land of Kapaahu to the south corner of grant 3208 to West Kaloi;

23. Exactly three hundred and thirty-one degrees and thirty minutes five thousand and ninety-seven and eight-tenths feet along the land of Kapaahu to a point near seacoast; thence

24. To and along the seacoast at high-water mark to the point of beginning, the true azimuth and distance being: Exactly fifty-three degrees and eighteen minutes three thousand three hundred and sixty-four feet.

Area, forty-nine thousand three hundred and forty acres.

Footprint extension: Beginning at the northeast corner of this tract of land, at a point on the west edge of the Keamoku Aa Flow (lava flow of 1823), and on the westerly boundary of Hawaii National Park, Kilauea section, as described in Governor's Executive Order 86, the coordinates of said point of beginning referred to Government survey triangulation station Uwekahuna, being four thousand seven hundred and six and six-tenths feet south and seventeen thousand nine hundred and seventy and three-tenths feet west, and the true azimuth and distance from said point of beginning to Government survey triangulation station Ohaikea being one hundred and sixty-six degrees and twenty minutes exactly six thousand three hundred and fifty feet, as shown on Government survey registered map 2388, and running by azimuths measured clockwise from true south—

Footprint extension.

1. Three hundred and forty-six degrees and twenty minutes exactly fourteen thousand two hundred and fifty-eight feet along Hawaii National Park, Kilauea section, as described in Governor's Executive Order 86;

2. Fifty degrees and twenty-five minutes exactly twenty-seven thousand six hundred and fifteen feet along Hawaii National Park, Kilauea section, as described in Governor's Executive Order 81, thence along the remainder of the Government land of Kapapala to the point of beginning as follows:

3. One hundred and ninety-one degrees no minutes and twenty seconds thirteen thousand five hundred and forty-four and five-tenths feet to a pipe at fence corner a little southwest of the old halfway house and about twenty feet southeast of the edge of the Government main road;

4. Two hundred and thirty-four degrees and twenty-five minutes one thousand three hundred and seventy-seven and five-tenths feet to a pipe on a mound of pahoehoe about ninety feet southeast of the Government main road;

5. Two hundred and twenty degrees and forty minutes exactly one thousand seven hundred and eighty-seven feet crossing the Govern-

ment main road to a spike in large boulder in stone wall about one hundred and twenty-five feet north of the Government main road; thence

6. Along stone wall over the lava flows, the boundary following the wall in its turns and windings, the direct azimuth and distance being: two hundred and nineteen degrees twenty-two minutes and forty-five seconds exactly eighteen thousand one hundred and twenty-one feet to a point in said stone wall;

7. Two hundred and thirty-eight degrees and seven minutes exactly two hundred and fifty feet partly along stone wall to a pipe in the middle of a corral;

8. Two hundred and thirty-four degrees and two minutes exactly two hundred feet across corral and along stone wall to a point in said wall;

9. Two hundred and thirty-nine degrees and thirty minutes exactly three hundred and fifteen feet along stone wall to a pipe at end of wall and on the south side of the old Peter Lee Road;

10. One hundred and eighty-five degrees and thirty minutes exactly three hundred and eighty feet crossing old Peter Lee Road and along fence to a pipe at fence corner on the west bank of a ravine; thence

11. Following along the west bank of ravine, the direct azimuth and distance being: two hundred and three degrees and twenty-three minutes four hundred seventy-five and seven-tenths feet to a pipe on the west bank of the ravine;

12. Two hundred and twenty degrees and fifty-four minutes exactly two hundred and forty-five feet across ravine and along fence to a spike in stone pile;

13. Two hundred and twelve degrees and forty-four minutes exactly two hundred feet along fence to a spike in stone pile;

14. Two hundred and twenty-two degrees and fifty-three minutes exactly two hundred and forty feet along fence to a spike in stone pile;

15. Two hundred and twenty-five degrees and forty-six minutes three hundred and forty and six-tenths feet to the point of beginning and containing an area of five thousand seven hundred and thirty acres, more or less;

Additional adjacent  
or contiguous lands.

*Proviso.*  
Lands to be secured  
by donations only.

Acceptance of title  
authorized.

Leases for home site  
purposes in the Kala-  
pana extension to na-  
tives.

*Provisos.*  
Residence require-  
ments.  
Fishing restrictions.

and, in addition, any lands adjacent or contiguous to the Hawaii National Park as hereby extended which, in the discretion of the Secretary of the Interior, are necessary for the proper rounding out of the boundaries of the park: *Provided*, That the United States shall not purchase, by appropriation of public moneys, any land within the aforesaid area, but such lands shall be secured by the United States only by public and private donations.

SEC. 2. The Secretary of the Interior is hereby authorized, in his discretion and upon submission of evidence of satisfactory title to him, to accept, on behalf of the United States, title to the lands referred to in the previous section hereof as may be deemed by him necessary or desirable for national-park purposes.

SEC. 3. (a) That the Secretary of the Interior is authorized to lease, under such rules and regulations as he may deem proper, land ascertained by him to be suitable for home site purposes in the Kalapana extension as described herein, to native Hawaiians when such occupancy does not encroach on or prevent free access to any points of historic, scientific, or scenic interest or in any manner obstruct or interfere with protection and preservation of said area as a part of the Hawaii National Park: *Provided, however*, That occupants of homesites shall reside on the land not less than six months in any one year: *And provided further*, That fishing shall be permitted in said area only by native Hawaiian residents of said area or of adjacent villages and by visitors under their guidance.

(b) The term "native Hawaiian", as used in this section, means any descendant of not less than one-half part of the blood of the races inhabiting the Hawaiian Islands previous to 1778.

SEC. 4. That the provisions of the Act of August 1, 1916 (39 Stat. 432), entitled "An Act to establish a national park in the Territory of Hawaii"; the Act of August 25, 1916 (39 Stat. 535), entitled "An Act to establish a National Park Service, and for other purposes"; the Act of February 27, 1920 (41 Stat. 452), entitled "An Act to authorize the Governor of the Territory of Hawaii to acquire privately owned lands and rights-of-way within the boundaries of the Hawaii National Park"; and all Acts supplementary to and amendatory of said Acts are made applicable to and extended over the lands hereby added to the park: *Provided*, That the provisions of the Act of June 10, 1920, as amended, entitled "An Act to create a Federal Power Commission; to provide for the improvement of navigation; the development of water power; the use of the public lands in relation thereto; and to repeal section 18 of the River and Harbor Appropriations Act, approved August 8, 1917, and for other purposes", shall not apply to or extend over such lands (U. S. C., title 16, sec. 391): *And provided further*, That the Governor of the Territory of Hawaii is authorized to convey to the United States any and all lands and interests in lands acquired by the Territorial Government under the provisions of this Act.

Approved, June 20, 1938.

"Native Hawaiian" defined.

Provisions of designated Acts extended to additions.  
39 Stat. 432.  
16 U. S. C. § 391.  
39 Stat. 535.  
16 U. S. C. § 1.  
41 Stat. 452.  
16 U. S. C. § 392.

*Provisos.*  
Designated provisions inapplicable.  
41 Stat. 1063.  
16 U. S. C., ch. 12.

16 U. S. C. § 391.  
Conveyance authorized.

#### [CHAPTER 531]

##### AN ACT

To make available for national-park purposes certain lands within the boundaries of the proposed Isle Royale National Park, and for other purposes.

June 20, 1938

[H. R. 7826]

[Public, No. 681]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That all lands purchased from funds heretofore allocated and made available by Executive order, or otherwise, for the acquisition of lands for conservation or forestation purposes within the maximum boundaries of the Isle Royale National Park, as authorized by the Act of March 3, 1931 (46 Stat. 1514), be, and the same are hereby, made a part of the said park as fully as if originally acquired for that purpose and the proviso at the end of section 1 of the said Act of March 3, 1931, shall not be construed so as to prohibit the acquisition of lands in the park area with the aforesaid funds.

Approved, June 20, 1938.

Isle Royale National Park, Mich.  
Certain acquired lands made a part of.

46 Stat. 1514.  
16 U. S. C. § 408.

Use of allocated funds in acquisition of lands.

#### [CHAPTER 532]

##### AN ACT

To regulate the manufacturing, dispensing, selling, and possession of narcotic drugs in the District of Columbia.

June 20, 1938

[H. R. 7982]

[Public, No. 682]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, The following words and phrases, as used in this Act, shall have the following meanings, unless the context otherwise requires:

(a) "Person" includes any corporation, association, copartnership, or one or more individuals.

(b) "Physician" means a person authorized by law to practice medicine or osteopathy in the District of Columbia.

(c) "Dentist" means a person authorized by law to practice dentistry in the District of Columbia.

(d) "Veterinarian" means a person authorized by law to practice veterinary medicine in the District of Columbia.

District of Columbia, Uniform Narcotic Drug Act.

Definitions.  
"Person."

"Physician."

"Dentist."

"Veterinarian."



"Manufacturer."	(e) "Manufacturer" means a person who by compounding, mixing, cultivating, growing, or other process produces or prepares narcotic drugs, but does not include an apothecary who compounds narcotic drugs to be sold or dispensed on prescription.
"Wholesaler."	(f) "Wholesaler" means a person who supplies narcotic drugs that he himself has not produced nor prepared on official written orders but not on prescription.
"Apothecary."	(g) "Apothecary" means a licensed pharmacist as defined by the laws of the District of Columbia and, where the context so requires, the owner of a store or other place of business where narcotic drugs are compounded or dispensed by a licensed pharmacist; but nothing in this Act shall be construed as conferring on a person who is not registered nor licensed as a pharmacist any authority, right, or privilege that is not granted to him by the pharmacy laws of the District of Columbia.
"Hospital."	(h) "Hospital" means an institution or clinic for the care and treatment of the sick and injured, approved by the health officer of the District of Columbia as proper to be entrusted with the custody of narcotic drugs and the professional use of narcotic drugs under the direction of a physician, dentist, or veterinarian.
"Laboratory."	(i) "Laboratory" means a laboratory approved by the health officer of the District of Columbia as proper to be entrusted with the custody of narcotic drugs and the use of narcotic drugs for scientific and medical purposes and for purposes of instruction.
"Sale."	(j) "Sale" includes barter, exchange, or gift, or offer therefor, and each such transaction made by any person, whether as principal, proprietor, agent, servant, or employee.
"Coca leaves."	(k) "Coca leaves" includes cocaine and any compound, manufacture, salt, derivative, mixture, or preparation of coca leaves, except derivatives of coca leaves which do not contain cocaine, ecgonine, or substances from which cocaine or ecgonine may be synthesized or made.
"Opium."	(l) "Opium" includes morphine, codeine, and heroin, and any compound, manufacture, salt, derivative, mixture, or preparation of opium.
"Cannabis."	(m) "Cannabis" includes all parts of the plant <i>Cannabis sativa</i> L., whether growing or not; the seeds thereof; the resin extracted from any part of such plant; and every compound, manufacture, salt, derivative, mixture, or preparation of such plant, its seeds, or resin, including specifically the drugs known as American hemp, marihuana, Indian hemp or hasheesh, as used in cigarettes or in any other articles, compounds, mixtures, preparations, or products whatsoever, but shall not include the mature stalks of such plant; fiber produced from such stalks; oil or cake made from the seeds of such plant; any compound, manufacture, salt, derivative, mixture, or preparation of such mature stalks (except the resin extracted therefrom); fiber, oil or cake; or the sterilized seed of such plant which is incapable of germination.
"Narcotic drugs."	(n) "Narcotic drugs" means coca leaves, opium, cannabis, and every substance not chemically distinguishable from them.
"Federal narcotic laws."	(o) "Federal narcotic laws" means the laws of the United States relating to opium, coca leaves, cannabis, and other narcotic drugs.
"Official written order."	(p) "Official written order" means an order written on a form provided for that purpose by the United States Commissioner of Narcotics, under any laws of the United States making provision therefor, if such order forms are authorized and required by Federal law and, if no such order form is provided, then on an official form provided for that purpose by the Board of Pharmacy.
"Dispense."	(q) "Dispense" includes distribute, leave with, give away, dispose of, or deliver.

(r) "Registry number" means the number assigned to each person registered under the Federal narcotic laws.

"Registry number."

(s) "Board of Pharmacy" means the Board of Pharmacy of the District of Columbia as provided by Act of Congress approved May 7, 1906, as amended (D. C. Code of 1929, title 20, part. 3, sec. 198).

"Board of Pharmacy."  
34 Stat. 177, 1005.  
20 D. C. Code §198.

#### ACTS PROHIBITED

SEC. 2. It shall be unlawful for any person to manufacture, possess, have under his control, sell, prescribe, administer, dispense, or compound any narcotic drug, except as authorized in this Act.

Acts prohibited.

#### MANUFACTURERS AND WHOLESALERS

SEC. 3. No person shall manufacture, compound, mix, cultivate, grow, or by any other process produce or prepare narcotic drugs, and no person as a wholesaler shall supply the same, without having first obtained a license so to do from the Board of Pharmacy. Licenses shall be issued for a period of one year and may be renewed for a like period. A fee of \$10 shall be paid to the Board of Pharmacy for any license so issued or renewed. The said Board of Pharmacy is authorized to have printed such licenses as may be necessary and to be paid for out of the money collected by it for the issuance of licenses. At the close of each fiscal year any funds unexpended in excess of the sum of \$100 shall be paid into the Treasury of the United States to the credit of the District of Columbia.

Manufacturers and wholesalers.

Licenses.

Fee.

Deposit of unexpended balances.

#### QUALIFICATIONS FOR LICENSES

SEC. 4. No license shall be issued under the foregoing section unless and until the applicant therefor has furnished proof satisfactory to the Board of Pharmacy of the following:

Qualifications for licenses.

(a) That the applicant is of good moral character or, if the applicant be an association or corporation, that the managing officers are of good moral character.

(b) That the applicant is equipped as to land, buildings, and paraphernalia properly to carry on the business described in his application.

No license shall be granted to any person who has been convicted of a willful violation of any law of the United States, or of any State, relating to opium, coca leaves, cannabis, or other narcotic drugs, or to any person who is a narcotic-drug addict.

The Board of Pharmacy may suspend or revoke any license issued by said Board under the provisions of this Act for cause.

Suspension or revocation of license.

#### USE OF OFFICIAL WRITTEN ORDERS

SEC. 5. An official written order for any narcotic drug shall be signed in duplicate by the person giving said order or by his duly authorized agent. The original shall be presented to the person who sells or dispenses the narcotic drug or drugs named therein. In event of the acceptance of such order by said person, each party to the transaction shall preserve his copy of such order for a period of two years in such a way as to be readily accessible for inspection by any public officer or employee engaged in the enforcement of this act. It shall be unlawful for a manufacturer or wholesaler to sell, barter, exchange, or give away any preparation or remedy described in section 6 of the Act of Congress approved December 17, 1914, entitled "An Act to provide for the registration of, with collectors of internal revenue, and to impose a special tax upon all persons who produce, import, manufacture, compound, deal in, dispense, sell, distribute, or give away opium or coca leaves, their salts, derivatives,

Use of official written orders.

Duplicate order forms.

Preservation of orders.

Sale, etc., except on prescribed written order, unlawful.

38 Stat. 780.

Preservation of orders.

Order forms, preparation, sale, etc.

Record to be kept.

Rules and regulations.

Compliance with Federal narcotic laws deemed compliance with section.

or preparations, and for other purposes", as amended, which contains not more than two grains of opium, or not more than one-fourth of a grain of morphine, or not more than one-eighth of a grain of heroin, or not more than one grain of codeine, or any salt or derivative of any of them in one fluid or avoirdupois ounce, except in pursuance of a written order, on a form to be issued in blank by the District of Columbia Board of Pharmacy. Every person who shall accept any such order, and in pursuance thereof shall sell, barter, exchange, or give away any of the aforesaid preparations shall preserve such order for a period of two years in such a way as to be readily accessible to inspection by any officer or agent authorized for that purpose.

The Board of Pharmacy shall cause suitable written order forms to be prepared for the purchase of narcotics for which no form is provided by the United States Commissioner of Narcotics, and shall cause the same to be for sale by said Board at a cost not to exceed \$1 a hundred, to those persons who shall have registered under the Federal narcotic laws. The Board of Pharmacy shall keep an account of the number of forms sold and the names and addresses of the purchasers and the serial numbers of such forms sold to each purchaser. Whenever the Board of Pharmacy shall sell any such forms it shall cause the name and address of the purchaser thereof to be plainly written or stamped thereon before delivering the same. The said Board is authorized and directed to make such rules and regulations, not inconsistent with law, as it may deem necessary for the administration and enforcement of this Act.

It shall be deemed a compliance with this section if the parties to the transaction have complied with the Federal narcotic laws respecting official order forms if such order forms are authorized and required by Federal laws, or, if no such order form is provided, then with the rules and regulations of the Board of Pharmacy respecting official order forms.

#### SALE ON WRITTEN ORDERS

Sale on written orders by licensed manufacturer or wholesaler.

Hospitals, use restricted.

Proviso.  
Signature required.

Laboratory uses.

Federal, State, etc., officers.

Master of a ship, etc.  
Registered physicians from other States, etc.

SEC. 6. (a) A duly licensed manufacturer or wholesaler may sell and dispense narcotic drugs to any of the following persons, but only on official written orders:

(1) To a manufacturer, wholesaler, or apothecary;

(2) To a physician, dentist, or veterinarian;

(3) To a hospital, but only for use by or in that hospital:

*Provided*, That the official written order is signed by a physician, dentist, veterinarian, or pharmacist connected with that hospital; and

(4) To a person in charge of a laboratory, but only for use in that laboratory for scientific and medical purposes.

(b) A duly licensed manufacturer or wholesaler may also sell narcotic drugs to any of the following persons:

(1) On a special written order accompanied by a certificate of exemption, as required by the Federal narcotic laws, to a person in the employ of the United States Government or of the District of Columbia, or of any State, Territorial, district, county, municipal, or insular government, purchasing, receiving, possessing, or dispensing narcotic drugs by reason of his official duties.

(2) To a master of a ship or a person in charge of any aircraft upon which no physician is regularly employed, or to a physician or surgeon duly licensed in some State, Territory, or the District of Columbia to practice his profession, or to a retired commissioned medical officer of the United States Army, Navy, or Public Health Service employed upon such ship or aircraft, for the actual medical needs of persons on board such ship or air-

craft, when not in port: *Provided*, That such narcotic drugs shall be sold to the master of such ship or person in charge of such aircraft, or to a physician, surgeon, or retired commissioned medical officer of the United States Army, Navy, or Public Health Service employed upon such ship or aircraft only in pursuance of a special order form approved by a commissioned medical officer or acting assistant surgeon of the United States Public Health Service.

*Proviso.  
Restriction.*

(3) To a person in a foreign country if the provisions of the Federal narcotic laws are complied with.

To person abroad if  
Federal laws com-  
plied with.

#### POSSESSION LAWFUL

Possession lawful.

(c) Possession of or control of narcotic drugs obtained as authorized by this section shall be lawful only if obtained and used in the regular course of business, occupation, profession, employment, or duty of the possessor.

Conditions pre-  
scribed.

SEC. 7. A person in charge of a hospital or of a laboratory, or in the employ of the District of Columbia or of any State, or of any political subdivision thereof, or a master of a ship or a person in charge of any aircraft upon which no physician is regularly employed, or a physician or surgeon duly licensed in some State, Territory, or the District of Columbia, to practice his profession, or a retired commissioned medical officer of the United States Army, Navy, or Public Health Service employed upon such ship or aircraft who obtains narcotic drugs under the provisions of section 6 of this Act, or otherwise, shall not administer, nor dispense, nor otherwise use such drugs, within the District of Columbia, except within the scope of his employment or official duty, and then only for scientific or medical purposes and subject to the provisions of this Act.

Authorized uses.

#### SALES BY APOTHECARIES

SEC. 8. (a) An apothecary, in good faith, may sell and dispense narcotic drugs to any person upon a written prescription of a physician, dentist, or veterinarian, dated and signed, in ink or indelible pencil, on the day when issued, by the physician, dentist, or veterinarian prescribing said narcotic drugs. The prescription when issued shall also state the full name and address of the patient for whom, or of the owner of the animal for which, the drug is dispensed, and the full name, address, and registry number under the Federal narcotic laws of the person prescribing, if he is required by those laws to be so registered. If the prescription be for an animal, it shall state the species of animal for which the drug is prescribed. The person filling the prescription shall write the date of filling and his own signature on the face of the prescription. The prescription shall be retained on file by the proprietor of the pharmacy in which it is filled for a period of two years, so as to be readily accessible for inspection by any public officer or employee engaged in the enforcement of this Act. The prescription shall not be refilled.

Sales by apothecaries.

(b) The legal owner of any stock of narcotic drugs in a pharmacy, upon discontinuance of dealing in said drugs, may sell said stock to a manufacturer, wholesaler, or apothecary, but only on an official written order.

Disposition of stock  
upon discontinuance  
of dealing in drugs.

(c) An apothecary, only upon an official written order, may sell to a physician, dentist, or veterinarian, in quantities not exceeding one ounce at any one time, aqueous or oleaginous solutions of which the content of narcotic drugs does not exceed a proportion greater than 20 per centum of the complete solution, to be used for medical purposes.

Aqueous, etc., solu-  
tions.

Professional use of narcotic drugs.

## PROFESSIONAL USE OF NARCOTIC DRUGS

### PHYSICIANS AND DENTISTS

Physicians and dentists.

SEC. 9. (a) A physician or a dentist, in good faith and in the course of his professional practice only, may prescribe in writing, administer, and dispense narcotic drugs, or he may cause the same to be administered by a nurse or interne under his direction and supervision. Such a prescription shall be dated and signed by the person prescribing on the day when issued and shall bear the full name and address of the patient for whom the narcotic drug is prescribed and the full name, address, and registry number under the Federal narcotic laws of the person prescribing, provided he is required by those laws to be so registered.

### VETERINARIANS

Veterinarians.

(b) A veterinarian, in good faith and in the course of his professional practice only and not for use by a human being, may prescribe in writing, administer, and dispense narcotic drugs, and he may cause them to be administered by an assistant or orderly under his direction and supervision. Such a prescription shall be dated and signed by the person prescribing on the day when issued and shall bear the full name and address of the owner of the animal; the species of the animal for which the narcotic is prescribed; and the full name, address, and registry number under the Federal narcotic laws of the person prescribing, provided he is required by those laws to be so registered.

### RETURN OF UNUSED DRUGS

Return of unused drugs.

(c) Any person who has obtained from a physician, dentist, or veterinarian any narcotic drug for administration to a patient during the absence of such physician, dentist, or veterinarian shall return to such physician, dentist, or veterinarian any unused portion of such drug, when it is no longer required by the patient.

### PREPARATIONS EXEMPTED

Preparations exempted.

Medical preparations containing small quantities of opium, etc.

Preparations susceptible of external use only.

Exemptions subject to conditions prescribed.

Contents other than narcotic drug.

SEC. 10. Except as otherwise in this Act specifically provided, this Act shall not apply to the following cases:

(a) Prescribing, administering, dispensing, or selling at retail of any medicinal preparation that contains in one fluid ounce or, if a solid or semisolid preparation, in one avoirdupois ounce (1) not more than two grains of opium, (2) not more than one-quarter of a grain of morphine or of any of its salts, (3) not more than one grain of codeine or of any of its salts, (4) not more than one-eighth of a grain of heroin or of any of its salts.

(b) Prescribing, administering, dispensing, or selling at retail of liniments, ointments, and other preparations that are susceptible of external use only and that contain narcotic drugs in such combinations as prevent their being readily extracted from such liniments, ointments, or preparations, except that this Act shall apply to all liniments, ointments, and other preparations that contain coca leaves in any quantity or combination.

The exemptions authorized by this section shall be subject to the following conditions:

(1) The medicinal preparation, or the liniment, ointment, or other preparation susceptible of external use only, prescribed, administered, dispensed, or sold, shall contain in addition to the narcotic drug in it, some drug or drugs conferring upon it medicinal qualities other than those possessed by the narcotic drug alone.

Such preparation shall be prescribed, administered, dispensed, and sold in good faith as a medicine, and not for the purpose of evading the provisions of this Act.

Prescription, etc., in good faith as a medicine.

Nothing in this section shall be construed to limit the kind and quantity of any narcotic drug that may be prescribed, administered, dispensed, or sold to any person, or for the use of any person or animal, when it is prescribed, administered, dispensed, or sold in compliance with the general provisions of this Act.

Drugs prescribed, etc., in compliance with general provisions of Act.

Manufacturers or wholesalers shall sell tincture opii camphorata, commonly known as paregoric, only in accordance with the provisions of sections 5 and 6 of this Act on official written order forms provided for that purpose by the Board of Pharmacy. It shall be unlawful for any person to bring into or have in his possession for sale in the District of Columbia any paregoric unless an official written order form has been issued therefor. No person shall dispense or sell any paregoric at retail to any person without a prescription from a duly licensed physician, dentist, veterinarian, or other duly authorized person. Prescriptions shall be retained and filed as provided in section 8.

Paregoric, restriction on sale.

Prescriptions.

#### RECORD TO BE KEPT

Record to be kept.

#### PHYSICIANS, DENTISTS, VETERINARIANS, AND OTHER AUTHORIZED PERSONS

SEC. 11. (a) Every physician, dentist, veterinarian, or other person who is authorized to administer or professionally use narcotic drugs shall keep a record of such drugs received by him, and a record of all such drugs administered, dispensed, or professionally used by him otherwise than by prescription in accordance with the provisions of subsection (c) of this section. It shall, however, be deemed a sufficient compliance with this subsection if any such person using small quantities of solutions or other preparations of such drugs for local application shall keep a record of the quantity, character, and potency of such solutions or other preparations purchased or made up by him, and of the dates when purchased or made up, without keeping a record of the amount of such solution or other preparation applied by him to individual patients.

Physicians, etc.

#### MANUFACTURERS AND WHOLESALERS

(b) Manufacturers and wholesalers shall keep records of all narcotic drugs compounded, mixed, cultivated, grown, or by any other process produced or prepared, and of all narcotic drugs received and disposed of by them, in accordance with the provisions of subsection (e) of this section.

Manufacturers and wholesalers.

#### APOTHECARIES

(c) Apothecaries shall keep records of all narcotic drugs received and disposed of by them, in accordance with the provisions of subsection (e) of this section.

Apothecaries.

#### VENDORS OF EXEMPTED PREPARATIONS

(d) Every person who purchases for resale, or who sells narcotic drug preparations exempted by section 10 of this Act, shall keep a record showing the quantities and kinds thereof received and sold, or disposed of otherwise, in accordance with the provisions of subsection (e) of this section.

Vendors of exempted preparations.

#### FORM AND PRESERVATION OF RECORDS

(e) The form of records shall be prescribed by the Board of Pharmacy. The record of narcotic drugs received shall in every case show the date of receipt, the name and address of the person from whom

Form and preservation of records.

received, and the kind and quantity of drugs received; the kind and quantity of narcotic drugs produced or removed from process of manufacture, and the date of such production or removal from process of manufacture; and the record shall in every case show the proportion of morphine, cocaine, or ecgonine contained in or producible from crude opium or coca leaves received or produced, and the proportion of resin contained in or producible from the plant *Cannabis sativa* L., received, or produced. The record of all narcotic drugs sold, administered, dispensed, or otherwise disposed of, shall show the date of selling, administering, or dispensing, the name and address of the person to whom, or for whose use, or the owner and species of animal for which the drugs were sold, administered, or dispensed, and the kind and quantity of drugs. Every such record shall be kept for a period of two years from the date of the transaction recorded. The keeping of a record required by or under the Federal narcotic laws, containing substantially the same information as is specified above, shall constitute compliance with this section, except that every such record shall contain a detailed list of narcotic drugs lost, destroyed, or stolen, if any, the kind and quantity of such drugs, and the date of the discovery of such loss, destruction, or theft.

Labels.

## LABELS

Manufacturers and wholesalers.

SEC. 12. (a) Whenever a manufacturer sells or dispenses a narcotic drug, and whenever a wholesaler sells or dispenses a narcotic drug in a package prepared by him, he shall securely affix to each package in which that drug is contained a label showing in legible English the name and address of the vendor and the quantity, kind, and form of narcotic drug contained therein. No person, except an apothecary for the purpose of filling a prescription under this Act, shall alter, deface, or remove any label so affixed.

Apothecaries.

(b) Whenever an apothecary sells or dispenses any narcotic drug on a prescription issued by a physician, dentist, or veterinarian he shall affix to the container in which such drug is sold or dispensed a label showing his own name, address, and registry number, or the name, address, and registry number of the apothecary for whom he is lawfully acting; the name and address of the patient, or, if the patient is an animal, the name and address of the owner of the animal, and the species of the animal; the name, address, and registry number of the physician, dentist, or veterinarian, by whom the prescription was written; and such directions as may be stated on the prescription. No person shall alter, deface, or remove any label so affixed as long as any of the original contents remain.

Narcotic drugs.

## AUTHORIZED POSSESSION OF NARCOTIC DRUGS BY INDIVIDUALS

Authorized possession by individuals.

SEC. 13. A person to whom or for whose use any narcotic drug has been prescribed, sold, or dispensed, by a physician, dentist, apothecary, or other person authorized under the provisions of section 6 of this Act, and the owner of any animal for which any such drug has been prescribed, sold, or dispensed, by a veterinarian, may lawfully possess it only in the container in which it was delivered to him by the person selling or dispensing the same.

Search warrants.

## SEARCH WARRANTS

By whom issued.

SEC. 14. (a) A search warrant may be issued by any judge of the police court of the District of Columbia or by a United States commissioner for the District of Columbia when any narcotic drugs are manufactured, possessed, controlled, sold, prescribed, administered, dispensed, or compounded, in violation of the provisions of this Act,

and any such narcotic drugs and any other property designed for use in connection with such unlawful manufacturing, possession, controlling, selling, prescribing, administering, dispensing, or compounding, may be seized thereunder, and shall be subject to such disposition as the court may make thereof and such narcotic drugs may be taken on the warrant from any house or other place in which they are concealed.

(b) A search warrant cannot be issued but upon probable cause supported by affidavit particularly describing the property and the place to be searched.

Issuance only upon probable cause; affidavit.

(c) The judge or commissioner must, before issuing the warrant, examine on oath the complainant and any witnesses he may produce, and require their affidavits or take their depositions in writing and cause them to be subscribed by the parties making them.

Examination before issuance of warrant.

(d) The affidavits or depositions must set forth the facts tending to establish the grounds of the application or probable cause for believing that they exist.

Facts to be established, etc.

(e) If the judge or commissioner is thereupon satisfied of the existence of the grounds of the application or that there is probable cause to believe their existence, he must issue a search warrant, signed by him, to the major and superintendent of police of the District of Columbia or any member of the Metropolitan Police department, stating the particular grounds or probable cause for its issue and the names of the persons whose affidavits have been taken in support thereof, and commanding him forthwith to search the place named for the property specified and to bring it before the judge or commissioner.

Issuance of warrant.

(f) A search warrant may in all cases be served by any of the officers mentioned in its direction, but by no other person, except in aid of the officer on his requiring it, he being present and acting in its execution.

Service.

(g) The officer may break open any outer or inner door or window of a house, or any part of a house, or anything therein, to execute the warrant, if, after notice of his authority and purpose, he is refused admittance.

(h) The judge or commissioner must insert a direction in the warrant that it be served in the daytime unless the affidavit is positive that the property is in the place to be searched in which case he must insert a direction that it be served at any time in the day or night.

(i) A search warrant must be executed and returned to the judge or commissioner who issued it within ten days after its date; after the expiration of this time the warrant, unless executed, is void.

(j) When the officer takes property under the warrant, he must give a copy of the warrant together with a receipt for the property taken (specifying it in detail) to the person from whom it was taken by him, or in whose possession it was found; or in the absence of any person, he must leave it in the place where he found the property.

Taking of property under warrant.

(k) The officer must forthwith return the warrant to the judge or commissioner and deliver to him a written inventory of the property taken, made publicly or in the presence of the person from whose possession it was taken, and of the applicant for the warrant, if they are present, verified by the affidavit of the officer at the foot of the inventory and taken before the judge or commissioner at the time, to the following in effect: "I, \_\_\_\_\_, the officer by whom this warrant was executed, do swear that the above inventory contains a true and detailed account of all the property taken by me on the warrant."

Return and inventory of property taken.

(l) The judge or commissioner must thereupon, if required, deliver a copy of the inventory to the person from whose possession the property was taken and to the applicant for the warrant.

Copy of inventory to each party.



Filing provisions.	(m) The judge or commissioner must annex the affidavits, search warrant, return, inventory, and evidence, and at once file the same, together with a copy of the record of his proceedings, with the clerk of the police court.
Resisting, etc., service; assault on warrant server.	(n) Whoever shall knowingly and willfully obstruct, resist, or oppose any such officer or person in serving or attempting to serve or execute any such search warrant, or shall assault, beat, or wound any such officer or person, knowing him to be an officer or person so authorized, shall be fined not more than \$1,000 or imprisoned not more than two years.
Penalty.	

#### PERSONS AND CORPORATIONS EXEMPTED

Persons and corporations exempted.

SEC. 15. The provisions of this Act restricting the possession and having control of narcotic drugs shall not apply to common carriers or to warehousemen, while engaged in lawfully transporting or storing such drugs, or to any employee of the same acting within the scope of his employment; or to public officers or their employees in the performance of their official duties requiring possession or control of narcotic drugs; or to temporary incidental possession by employees or agents of persons lawfully entitled to possession, or by persons whose possession is for the purpose of aiding public officers in performing their official duties.

#### COMMON NUISANCES

Common nuisances.

SEC. 16. Any store, shop, warehouse, dwelling house, building, vehicle, boat, aircraft, or any place whatever, which is resorted to by narcotic drug addicts for the purpose of using narcotic drugs or which is used for the illegal keeping or selling of the same, shall be deemed a common nuisance. No person shall keep or maintain such a common nuisance.

#### NARCOTIC DRUGS TO BE DELIVERED TO STATE OFFICIAL, AND SO FORTH

Narcotic drugs, possession, etc., not established; disposition.

SEC. 17. All narcotic drugs, the lawful possession of which is not established or the title to which cannot be ascertained, which have come into the custody of a peace officer, shall be forfeited, and disposed of as follows:

Forfeiture, etc.	(a) Except as in this section otherwise provided, the court or magistrate having jurisdiction shall order such narcotic drugs forfeited and destroyed. A record of the place where said drugs were seized, of the kinds and quantities of drugs so destroyed, and of the time, place, and manner of destruction shall be kept, and a return under oath, reporting said destruction, shall be made to the court or magistrate and to the United States Commissioner of Narcotics, by the officer who destroys them.
Record, etc., to be kept.	(b) Upon written application by the Board of Pharmacy, the court or magistrate by whom the forfeiture of narcotic drugs has been decreed may order the delivery of any of them, except heroin and its salts and derivatives, to said Board of Pharmacy for distribution or destruction, as hereinafter provided.
Delivery to Board of Pharmacy permitted.	(c) Upon application by any hospital within the District of Columbia not operated for private gain, the Board of Pharmacy may, in its discretion, deliver any narcotic drugs that have come into its custody by authority of this section to the applicant for medicinal use. The Board of Pharmacy may from time to time deliver excess stocks of such narcotic drugs to the United States Commissioner of Narcotics, or may destroy the same.
Hospitals.	(d) The Board of Pharmacy of the District of Columbia shall keep a full and complete record of all drugs received and of all drugs
Excess stocks.	
Record of receipt, etc., by Board of Pharmacy.	

disposed of, showing the exact kinds, quantities, and forms of such drugs; the persons from whom received and to whom delivered; by whose authority received, delivered, and destroyed; and the dates of the receipt, disposal, or destruction, which record shall be open to inspection by all Federal or District of Columbia officers charged with the enforcement of Federal and District narcotic laws.

#### NOTICE OF CONVICTION TO BE SENT TO LICENSING BOARD

SEC. 18. On the conviction of any person of the violation of any provision of this Act, a copy of the judgment and sentence, and of the opinion of the court or magistrate, if any opinion be filed, shall be sent by the clerk of the court, or by the magistrate, to the board or officer, if any, by whom the convicted defendant has been licensed or registered to practice his profession or to carry on his business, and the said board or officer may in its or his discretion suspend or revoke the license of the convicted defendant to practice his profession or to carry on his business. On the application of any person whose license or registration has been suspended or revoked, and upon proper showing for good cause, said board or officer may reinstate such license or registration.

Notice of conviction to be sent to licensing board, etc.

Reinstatement.

#### RECORDS, CONFIDENTIAL

SEC. 19. Prescriptions, orders, and records, required by this Act, and stocks of narcotic drugs, shall be open for inspection only to Federal and District of Columbia officers whose duty it is to enforce the laws of the District of Columbia, or of the United States relating to narcotic drugs. No officer having knowledge by virtue of his office of any such prescription, order, or record shall divulge such knowledge, except in connection with a prosecution or proceeding in court or before a licensing or registration board or officer, to which prosecution or proceeding the person to whom such prescriptions, orders, or records relate is a party.

Records to be kept confidential.

Restriction on inspection.

Divulging of information prohibited.

#### FRAUD OR DECEIT

SEC. 20. (a) No person shall obtain or attempt to obtain a narcotic drug, or procure or attempt to procure the administration of a narcotic drug, (1) by fraud, deceit, misrepresentation, or subterfuge; or (2) by the forgery or alteration of a prescription or of any written order; or (3) by the concealment of a material fact; or (4) by the use of a false name or the giving of a false address.

Fraud or deceit.

(b) Information communicated to a physician in an effort unlawfully to procure a narcotic drug, or unlawfully to procure the administration of any such drug, shall not be deemed a privileged communication.

(c) No person shall willfully make a false statement in any prescription, order, report, or record, required by this Act.

(d) No person shall, for the purpose of obtaining a narcotic drug, falsely assume the title of, or represent himself to be, a manufacturer, wholesaler, apothecary, physician, dentist, veterinarian, or other authorized person.

(e) No person shall make or utter any false or forged prescription or false or forged written order.

(f) No person shall affix any false or forged label to a package or receptacle containing narcotic drugs.

(g) The provisions of this section shall apply to all transactions relating to narcotic drugs under the provisions of section 10 of this Act, in the same way as they apply to transactions under all other sections.

## EXCEPTIONS AND EXEMPTIONS NOT REQUIRED TO BE NEGATIVED

Exceptions and exemptions not required to be negatived.

SEC. 21. In any complaint, information, or indictment, and in any action or proceeding brought for the enforcement of any provision of this Act, it shall not be necessary to negative any exception, excuse, proviso, or exemption, contained in this Act, and the burden of proof of any such exception, excuse, proviso, or exemption, shall be upon the defendant.

## ENFORCEMENT AND COOPERATION

Enforcement and cooperation.

SEC. 22. It is hereby made the duty of the major and superintendent of police of the District of Columbia to enforce all provisions of this Act, except those specifically delegated, and to cooperate with all agencies charged with the enforcement of the laws of the United States relating to narcotic drugs.

Personal services.

The Commissioners of the District of Columbia are authorized to employ such personal services for the clerical work of the Board of Pharmacy as may be necessary to carry out the provisions of this Act and to provide for the expenses of said Board, including the cost of preparation and distribution of such official order forms as may be provided by the regulations of the Board of Pharmacy. Salaries of employees shall be fixed in accordance with the Classification Act of 1923, as amended. The Commissioners of the District of Columbia shall include in their annual estimates such amounts as may be required for the salaries and expenses herein authorized.

5 U. S. C. §§ 671-674; Supp. III, §§ 673, 673c.

## PENALTIES

Penalties.

SEC. 23. Any person violating any provision of this Act, or of any regulation made by the Board of Pharmacy under authority of this Act, shall upon conviction be punished, for the first offense, by a fine of not less than \$100 nor more than \$1,000, or by imprisonment for not exceeding one year, or by both such fine and imprisonment, and for any subsequent offense by a fine of not less than \$500 nor more than \$5,000, or by imprisonment for not exceeding ten years, or by both such fine and imprisonment.

Federal narcotic laws.

Effect of acquittal or conviction under.

## EFFECT OF ACQUITTAL OR CONVICTION UNDER FEDERAL NARCOTIC LAWS

SEC. 24. No person shall be prosecuted for a violation of any provision of this Act if such person has been acquitted or convicted under any United States statute governing the sale or distribution of narcotic drugs, of the same act or omission which, it is alleged, constitutes a violation of this Act.

## CONSTITUTIONALITY

Constitutionality.

SEC. 25. If any provision of this Act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are declared to be severable.

## INCONSISTENT LAWS REPEALED

Inconsistent laws repealed.

SEC. 26. All Acts or parts of Acts which are inconsistent with the provisions of this Act are hereby repealed.

## NAME OF ACT

Name of Act.

SEC. 27. This Act may be cited as the "Uniform Narcotic Drug Act".

Approved, June 20, 1938.

## [CHAPTER 533]

## AN ACT

To add certain lands to the Trinity National Forest, California.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, subject to existing valid claims, the following-described lands be, and the same are hereby, added to the Trinity National Forest, California, and made subject to all laws and regulations relating to said National Forest: The west half section 6, township 33 north, range 9 west; sections 1 and 2, north half northeast quarter section 11, northwest quarter and north half north half northeast quarter section 12, township 33 north, range 10 west; sections 35 and 36, township 34 north, range 10 west, all Mount Diablo meridian: *Provided*, That said lands shall not be subject to location or entry under the mineral laws or laws of the United States.*

Approved, June 20, 1938.

June 20, 1938  
[H. R. 8165]  
[Public, No. 683]

Trinity National  
Forest, Calif.  
Lands added.

*Proviso.*  
Restriction on loca-  
tion or entry.

## [CHAPTER 534]

## AN ACT

Providing for the zoning of the District of Columbia and the regulation of the location, height, bulk, and uses of buildings and other structures and of the uses of land in the District of Columbia, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That to promote the health, safety, morals, convenience, order, prosperity, or general welfare of the District of Columbia and its planning and orderly development as the National Capital, the Zoning Commission created by the Act of March 1, 1920 (41 Stat. 500), is hereby empowered, in accordance with the conditions and procedures specified in this Act, to regulate the location, height, bulk, number of stories and size of buildings and other structures, the percentage of lot which may be occupied, the sizes of yards, courts, and other open spaces, the density of population, and the uses of buildings, structures, and land for trade, industry, residence, recreation, public activities, or other purposes; and for the purpose of such regulation said commission may divide the District of Columbia into districts or zones of such number, shape, and area as said Zoning Commission may determine, and within such districts may regulate the erection, construction, reconstruction, alteration, conversion, maintenance, and uses of buildings and structures and the uses of land. All such regulations shall be uniform for each class or kind of building throughout each district, but the regulations in one district may differ from those in other districts.*

SEC. 2. Such regulations shall be made in accordance with a comprehensive plan and designed to lessen congestion in the street, to secure safety from fire, panic, and other dangers, to promote health and the general welfare, to provide adequate light and air, to prevent the undue concentration of population and the overcrowding of land, and to promote such distribution of population and of the uses of land as would tend to create conditions favorable to health, safety, transportation, prosperity, protection of property, civic activity, and recreational, educational, and cultural opportunities, and as would tend to further economy and efficiency in the supply of public services. Such regulations shall be made with reasonable consideration, among other things, of the character of the respective districts and their suitability for the uses provided in the regulations, and with a view to encouraging stability of districts and of land values therein.

June 20, 1938  
[H. R. 9844]  
[Public, No. 684]

District of Colum-  
bia, zoning regulation.

Zoning Commission,  
powers and duties.  
41 Stat. 500.

Regulation of loca-  
tion, height, etc., of  
structures.  
Yards, courts, and  
other open spaces.  
Uses of buildings  
and lands.

Division into dis-  
tricts or zones.

Uniformity of regu-  
lations within each  
district.

Purposes of regula-  
tions.

Existing regulations continued effective until amended, etc.  
41 Stat. 500.

Amendments authorized.

Public hearings before becoming effective.

Notice of time and place; publication.

Vote required for amendment.

Zoning Advisory Council; creation, membership.

Submission of proposals to, before adoption.

Proviso.  
Failure of Council to act within 30 days.

Maximum height of buildings.

36 Stat. 452.

Use of existing buildings.

Restriction.

Extension and substitution of nonconforming uses.

SEC. 3. The regulations heretofore adopted by the Zoning Commission under the authority of the above-mentioned Act of March 1, 1920 (41 Stat. 500), and in force at the date of the taking effect of this Act, including the maps which at said date accompany and are a part of such regulations, shall be deemed to have been made and adopted and in force under this present Act and shall be and continue in force and effect until and as they may be amended by the Zoning Commission as authorized by this Act. The Zoning Commission may from time to time amend the regulations or any of them or the maps or any of them. Before putting into effect any amendment or amendments of said regulations, or of said map or maps, the Zoning Commission shall hold a public hearing thereon. At least thirty days' notice of the time and place of such hearings shall be published at least once in a daily newspaper or newspapers of general circulation in the District of Columbia. Such published notice shall include a general summary of the proposed amendment or amendments of the regulation or regulations and the boundaries of the territory or territories included in the amendment or amendments of the map or maps, and the time and place of the hearing. The Zoning Commission shall give such additional notice of such hearing as it shall deem feasible and practicable. At such hearing it shall afford any person present a reasonable opportunity to be heard. Such public hearing may be adjourned from time to time and if the time and place of the adjourned meeting be publicly announced when the adjournment is had, no further notice of such adjourned meeting need be published.

SEC. 4. Any amendment of the regulations or any of them or of the maps or any of them shall require the favorable vote of not less than a full majority of the members of the Commission.

SEC. 5. A Zoning Advisory Council is hereby created to be composed of a representative designated by the National Capital Park and Planning Commission, a representative designated by the Zoning Commission of the District of Columbia, and a representative designated by the Commissioners of the District of Columbia, all of whom shall be persons experienced in zoning practice and shall serve without additional compensation. No amendment of any zoning regulation or map shall be adopted by the Zoning Commission unless and until such amendment be first submitted to said Zoning Advisory Council and the opinion or report of such Council thereon shall have been received by the Commission: *Provided, however,* That if said Council shall fail to transmit its opinion and advice within thirty days from the date of submission to it, then in such event the Zoning Commission shall have the right to proceed to act upon the proposed amendment without further waiting for the receipt of the opinion and advice of said Council.

SEC. 6. The permissible height of buildings in any district shall not exceed the maximum height of buildings now authorized upon any street in any part of the District of Columbia by the Act of Congress approved June 1, 1910, and amendments thereto, regulating the height of buildings in the District of Columbia.

SEC. 7. The lawful use of a building or premises as existing and lawful at the time of the original adoption of any regulation heretofore adopted under the authority of the aforesaid Act of March 1, 1920, or, in the case of any regulation hereafter adopted under this Act, at the time of such adoption, may be continued although such use does not conform with the provisions of such regulation, provided no structural alteration, except such as may be required by law or regulation, or no enlargement is made or no new building is erected. The Zoning Commission may in its discretion provide, upon such terms and conditions as may be set forth in the regulations, for the

extension of any such nonconforming use throughout the building and for the substitution of nonconforming uses.

SEC. 8. A board of zoning adjustment is hereby created which shall be composed of five members appointed by the Commissioners of the District of Columbia, namely, one member of the National Capital Park and Planning Commission or a member of the staff thereof to be designated in either case by such Commission; one member of the Zoning Commission or a member of the staff thereof to be designated in either case by such Commission; and three other members, each of whom shall have been a resident of the District of Columbia for at least three years immediately preceding his appointment and at least one of whom shall own his own home.

Board of Zoning Adjustment; creation, composition, etc.

The representative of the National Capital Park and Planning Commission may be changed from time to time by such Commission in its discretion and in case of a vacancy in the position by death, resignation, or other disability, a new representative shall be designated by the said Commission and appointed by the Commissioners of the District of Columbia to fill said vacancy. The representative of the Zoning Commission may be changed from time to time by such Commission in its discretion and in case of a vacancy in the position by death, resignation, or other disability, a new representative shall be designated by the said Commission and appointed by the Commissioners of the District of Columbia to fill said vacancy. The terms of the three members designated by the Commissioners of the District of Columbia shall be three years each, excepting that, in the case of the initial appointments, one shall be for a term of one year and one for a term of two years. In case of any vacancy in the position of any of the three members designated by the Commissioners of the District of Columbia, the same shall be filled for the remainder of the term.

Changes and filling vacancies.

Terms of members.

Vacancies.

The Zoning Commission may provide and specify in its zoning regulations general rules to govern the organization and procedure of the Board of Adjustment not inconsistent with the provisions of this Act, and the Board of Adjustment may adopt supplemental rules of procedure which shall be subject to the approval of the Zoning Commission after public hearing thereon as provided in section 3. The Board of Adjustment shall choose its chairman and its other officers. All meetings of the Board shall be open to the public. The Board shall keep minutes of its proceedings showing the vote of each member upon each question, or if absent or failing to vote indicating such fact, and shall keep records of its examinations and other official actions, all of which shall be immediately filed in the office of the Board and shall be a public record.

Organization and procedure.

Chairman and other officers. Meetings, records, etc.

The regulations adopted by the Zoning Commission may provide that the Board of Adjustment may, in appropriate cases and subject to appropriate principles, standards, rules, conditions, and safeguards set forth in the regulations, make special exceptions to the provisions of the zoning regulations in harmony with their general purpose and intent. The Commission may also authorize the Board of Adjustment to interpret the zoning maps and pass upon disputed questions of lot lines or district boundary lines or similar questions as they arise in the administration of the regulations.

Special exceptions to provisions of regulations.

Interpretation of maps; settlement of disputed questions, etc.

The Board of Adjustment shall not have the power to amend any regulation or map.

Limitation.

Appeals to the Board of Adjustment may be taken by any person aggrieved, or organization authorized to represent such person, or by any officer or department of the government of the District of Columbia or the Federal Government affected, by any decision of the inspector of buildings granting or refusing a building permit

Appeals.

Fees.	or granting or withholding a certificate of occupancy, or any other administrative decision based in whole or part upon any zoning regulation or map adopted under this Act. The Commissioners of the District of Columbia may require and fix the fee to be charged for an appeal, which fee shall be paid, as directed by said Commissioners, with the filing of the appeal: <i>Provided</i> , That no citizens' association, or association created for civic purposes and not for profit shall be required to pay said fee. There shall be a public hearing on appeal.
<i>Proviso.</i> Exemption, citizens' associations, etc. Public hearings.	
Powers of Board upon appeals.	Upon appeals the Board of Adjustment shall have the following powers:
Alleged errors.	(1) To hear and decide appeals where it is alleged by the appellant that there is error in any order, requirement, decision, determination, or refusal made by the inspector of buildings or the Commissioners of the District of Columbia or any other administrative officer or body in the carrying out or enforcement of any regulation adopted pursuant to this Act.
Requests for special exceptions, map interpretation, etc.	(2) To hear and decide, in accordance with the provisions of the regulations adopted by the Zoning Commission, requests for special exceptions or map interpretations or for decisions upon other special questions upon which such Board is required or authorized by the regulations to pass.
Variations from application of regulations.	(3) Where, by reason of exceptional narrowness, shallowness or shape of a specific piece of property at the time of the original adoption of the regulations or by reason of exceptional topographical conditions or other extraordinary or exceptional situation or condition of a specific piece of property, the strict application of any regulation adopted under this Act would result in peculiar and exceptional practical difficulties to or exceptional and undue hardship upon the owner of such property, to authorize, upon an appeal relating to such property, a variance from such strict application so as to relieve such difficulties or hardship, provided such relief can be granted without substantial detriment to the public good and without substantially impairing the intent, purpose, and integrity of the zone plan as embodied in the zoning regulations and map.
Authority conferred.	(4) In exercising the above-mentioned powers the Board of Adjustment may, in conformity with the provisions of this Act, reverse or affirm, wholly or partly, or may modify the order, requirement, decision, determination, or refusal appealed from or may make such order as may be necessary to carry out its decision or authorization, and to that end shall have all the powers of the officer or body from whom the appeal is taken.
Vote necessary for decision, etc.	The concurring vote of not less than a full majority of the members of the Board shall be necessary for any decision or order.
Appeals from Board to Zoning Commission.	Nothing herein contained shall prohibit the Zoning Commission from providing by regulation for appeals to it from any action of the Board of Zoning Adjustment.
Maps and regulations established by Zoning Commission, filing. Publication.	SEC. 9. A copy of any map established by said Zoning Commission and of its zoning regulations shall be filed in the office of the Engineer Commissioner of the District of Columbia. A copy of any regulation or any amendment adopted after the passage of this Act shall be published once in one or more daily newspapers printed in the District of Columbia for the information of all concerned.
Building permits.	SEC. 10. It shall be unlawful to erect, construct, reconstruct, convert, or alter any building or structure or part thereof within the District of Columbia without obtaining a building permit from the inspector of buildings, and said inspector shall not issue any permit for the erection, construction, reconstruction, conversion, or alteration of any building or structure, or any part thereof, unless the plans of and for the proposed erection, construction, reconstruction, conversion, or
Construction to conform to regulations.	

alteration fully conform to the provisions of this Act and of the regulations adopted under this Act. In the event that said regulations provide for the issuance of certificates of occupancy or other form of permit to use, it shall be unlawful to use any building, structure, or land until such certificate or permit be first obtained. It shall be unlawful to erect, construct, reconstruct, alter, convert, or maintain or to use any building, structure, or part thereof or any land within the District of Columbia in violation of the provisions of this Act or of any of the provisions of the regulations adopted under this Act. The owner or person in charge of or maintaining any such building or land or any other person who erects, constructs, reconstructs, alters, converts, maintains, or uses any building or structure or part thereof or land in violation of this Act or of any regulation adopted under this Act, shall upon conviction for such violation on information filed in the police court of the District of Columbia by the corporation counsel or any of his assistants in the name of said District and which court is hereby authorized to hear and determine such cases, be punished by a fine of not more than \$100 per day for each and every day such violation shall continue. The corporation counsel of the District of Columbia or any neighboring property owner or occupant who would be specially damaged by any such violation may, in addition to all other remedies provided by law, institute injunction, mandamus, or other appropriate action or proceeding to prevent such unlawful erection, construction, reconstruction, alteration, conversion, maintenance, or use, or to correct or abate such violation or to prevent the occupancy of such building, structure, or land.

Certificates of occupancy, etc.

Construction, etc., in violation of Act or regulations.

Penalty.

Injunction, etc., proceedings.

Enforcement of regulations.

SEC. 11. The Commissioners of the District of Columbia shall enforce the regulations adopted under the authority hereof. Nothing herein contained shall be construed to limit the authority of the Commissioners of the District of Columbia to make municipal regulations which are not inconsistent with the provisions of this Act and the regulations adopted hereunder.

SEC. 12. Wherever the regulations made under the authority of this Act require a greater width or size of yards, courts, or other open spaces, or require a lower height of buildings or smaller number of stories, or require a greater percentage of lot to be left unoccupied, or impose other higher standards than are required in or under any other statute or municipal regulations, the regulations made under authority of this Act shall govern. Wherever the provisions of any other statute or municipal regulations require a greater width or size of yards, courts, or other open spaces or require a lower height of buildings or smaller number of stories or require a greater percentage of lot to be left unoccupied or impose other higher standards than are required by the regulations made under authority of this Act, the provisions of such other statute or municipal regulation shall govern.

Effect of regulations on future construction, etc.

Conflicts with other statutes or regulations.

SEC. 13. The word "amend", "amendment", "amendments", or "amended", when used in this Act in relation to the zoning regulations, shall be deemed to include any modification of the text or phraseology of the regulations or of any provision of the regulations or any regulation or any repeal or elimination of any regulation or regulations or part thereof or any addition to the regulations or any new regulation or any change of or in the wording or content of the regulations. The word "amend", "amendment", "amendments", or "amended", when used in this Act in relation to the zoning maps or any map, shall be deemed to include any change in the number, shape, boundary, or area of any district or districts, any repeal or abolition of any such map or any part thereof, any addition to any such map, any new map or maps, or any other change in the maps or any map. The words "administrative decision",

Terms defined.



“administrative officer”, “administrative officer or body”, when used in section 8 of this Act shall not be deemed to include the Zoning Commission.

Appropriations  
authorized.  
*Post*, p. 1120.

Employment of per-  
sonnel.

5 U. S. C. §§ 661-674;  
Supp. III, §§ 673, 673c.  
Compensation of  
members of Board of  
Zoning Adjustment.

*Provises.*  
Maximum.

No compensation, if  
receiving Govern-  
ment, etc., pay.

Act repealed; excep-  
tion.

41 Stat. 500.

Conflicting laws,  
etc., repealed.

Federal public  
buildings excepted.  
*Proviso.*  
Approval by Na-  
tional Capital Park  
and Planning Com-  
mission.

Separability provi-  
sion.

SEC. 14. Appropriations are hereby authorized to carry out the provisions of this Act for the fiscal year ending June 30, 1938, and thereafter the Commissioners of the District of Columbia are authorized and directed to include in their annual estimates such amounts as may be required for salaries and expenses incident to such purposes. The Commissioners are authorized to employ such personal services as may be necessary to carry out the provisions of this Act, and the salaries of such employees, other than members of the Board of Zoning Adjustment, are to be fixed in accordance with the provisions of the Classification Act of 1923, as amended. The Commissioners shall fix the compensation of the members of the Board of Zoning Adjustment, without reference to the provisions of the Classification Act: *Provided, however*, That the compensation of any member shall not exceed \$1,000 per annum: *And provided further*, That no compensation for service as a member of said Board shall be provided for any member who holds a salaried public office or position in the District of Columbia or the Federal Governments.

SEC. 15. The Act entitled “An Act to regulate the height, area, and use of buildings in the District of Columbia and to create a Zoning Commission, and for other purposes”, being the Act of March 1, 1920 (41 Stat. 500), excepting the provisions thereof creating the Zoning Commission, providing for its membership and service without additional compensation, is hereby repealed. All laws or parts of other laws in conflict with the provisions of this Act are hereby repealed.

SEC. 16. The provisions of this Act shall not apply to Federal public buildings: *Provided, however*, That, in order to insure the orderly development of the National Capital, the location, height, bulk, number of stories, and size of Federal public buildings in the District of Columbia and the provision for open space in and around the same will be subject to the approval of the National Capital Park and Planning Commission.

SEC. 17. If any provision contained in this Act be declared invalid, such invalidity shall not be deemed to affect or impair the validity of the remainder or of any other part of this Act.

Approved, June 20, 1938.

#### [CHAPTER 535]

#### AN ACT

Authorizing the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

June 20, 1938  
[H. R. 10298]  
[Public, No. 685]

Rivers and harbors,  
improvements.  
Work authorized.

Federal investiga-  
tions and improve-  
ments, jurisdiction  
and prosecution by  
War Department.

Wildlife conserva-  
tion.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the following works of improvement of rivers, harbors, and other waterways are hereby adopted and authorized, to be prosecuted under the direction of the Secretary of War and supervision of the Chief of Engineers, in accordance with the plans recommended in the respective reports hereinafter designated and subject to the conditions set forth in such documents; and that hereafter Federal investigations and improvements of rivers, harbors, and other waterways shall be under the jurisdiction of and shall be prosecuted by the War Department under the direction of the Secretary of War and the supervision of the Chief of Engineers, except as otherwise specifically provided by Act of Congress, which said investigations and improvements shall include a due regard for wildlife conservation:

- Mystic River, Massachusetts; House Document Numbered 542, Seventy-fifth Congress;
- Scituate Harbor, Massachusetts; House Document Numbered 556, Seventy-fifth Congress;
- Westport River, Massachusetts; House Document Numbered 692, Seventy-fifth Congress;
- Plymouth Harbor, Massachusetts; House Document Numbered 577, Seventy-fifth Congress;
- Flushing Bay and Creek, New York; Senate Committee on Commerce Document, Seventy-fifth Congress;
- Huntington Harbor, New York; House Document Numbered 638, Seventy-fifth Congress;
- Hudson River, New York; House Document Numbered 572, Seventy-fifth Congress;
- Great Kills Harbor, Staten Island, New York; House Document Numbered 559, Seventy-fifth Congress;
- Delaware River from Allegheny Avenue, Philadelphia, Pennsylvania, to the sea; Senate Document Numbered 159, Seventy-fifth Congress;
- Mantua Creek, New Jersey; House Document Numbered 505, Seventy-fifth Congress;
- Annapolis Harbor, Maryland; Rivers and Harbors Committee Document Numbered 48, Seventy-fifth Congress;
- Channel connecting Plain Dealing Creek and Oak Creek, Maryland; House Document Numbered 413, Seventy-fifth Congress;
- Twitch Cove and Big Thoroughfare River, Maryland; Rivers and Harbors Committee Document Numbered 49, Seventy-fifth Congress;
- Herring Bay and Rockhold Creek, Maryland; House Document Numbered 595, Seventy-fifth Congress;
- Cape Charles City Harbor, Virginia; House Document Numbered 580, Seventy-fifth Congress;
- Roanoke River, North Carolina; House Document Numbered 694, Seventy-fifth Congress;
- New River Inlet, North Carolina; House Document Numbered 691, Seventy-fifth Congress;
- Drum Inlet, North Carolina; House Document Numbered 414, Seventy-fifth Congress;
- Belhaven Harbor, North Carolina; House Document Numbered 693, Seventy-fifth Congress;
- Intracoastal Waterway from Cape Fear River, North Carolina, to Winyah Bay, South Carolina; House Document Numbered 549, Seventy-fifth Congress;
- Waterway between Beaufort, South Carolina, and Saint Johns River, Florida; House Document Numbered 618, Seventy-fifth Congress;
- Terry Creek and Back River, Georgia; House Document Numbered 690, Seventy-fifth Congress;
- Fernandina Harbor, Florida; House Document Numbered 548, Seventy-fifth Congress;
- Saint Augustine Harbor, Florida; House Document Numbered 555, Seventy-fifth Congress;
- Courtenay Channel, Florida; House Document Numbered 504, Seventy-fifth Congress;
- Eau Gallie Harbor, Florida; House Document Numbered 497, Seventy-fifth Congress;
- Port Everglades, Florida; House Document Numbered 545, Seventy-fifth Congress;
- Channel from Naples, Florida, to Big Marco Pass; House Document Numbered 596, Seventy-fifth Congress;
- Mystic River, Mass.
- Scituate Harbor, Mass.
- Westport River, Mass.
- Plymouth Harbor, Mass.
- Flushing Bay and Creek, N. Y.
- Huntington Harbor, N. Y.
- Hudson River, N. Y.
- Great Kills Harbor, Staten Island, N. Y.
- Delaware River, Philadelphia, Pa., to the sea.
- Mantua Creek, N. J.
- Annapolis Harbor, Md.
- Connecting channel, Plain Dealing Creek and Oak Creek, Md.
- Twitch Cove and Big Thoroughfare River, Md.
- Herring Bay and Rockhold Creek, Md.
- Cape Charles City Harbor, Va.
- Roanoke River, N. C.
- New River Inlet, N. C.
- Drum Inlet, N. C.
- Belhaven Harbor, N. C.
- Waterway, Cape Fear River, N. C., to Winyah Bay, S. C.
- Waterway, Beaufort, S. C., and Saint Johns River, Fla.
- Terry Creek and Back River, Ga.
- Fernandina Harbor, Fla.
- Saint Augustine Harbor, Fla.
- Courtenay Channel, Fla.
- Eau Gallie Harbor, Fla.
- Port Everglades, Fla.
- Channel, Naples, Fla., to Big Marco Pass.

Tampa Harbor, Fla.	Tampa Harbor, Florida; Senate Document Numbered 164, Seventy-fifth Congress;
Palm Beach, Fla., side channel and basin.	Palm Beach, Florida; Side channel and basin in accordance with report on file in the office of the Chief of Engineers;
Tampa and Hillsboro Bays, Fla.	Tampa and Hillsboro Bays, Florida; Senate Commerce Committee Document, Seventy-fifth Congress;
Apalachicola River, Fla.	Apalachicola River, Florida; House Document Numbered 575, Seventy-fifth Congress;
Biloxi Harbor, Miss.	Biloxi Harbor, Mississippi; House Document Numbered 639, Seventy-fifth Congress;
Mississippi River, Baton Rouge to New Orleans, La.	Mississippi River between Baton Rouge and New Orleans, Louisiana; House Document Numbered 597, Seventy-fifth Congress;
Grand Bayou Pass, La.	Grand Bayou Pass, Louisiana; Senate Document Numbered 166, Seventy-fifth Congress;
Sabine-Neches Waterway, Tex.	Sabine-Neches Waterway, Texas; House Document Numbered 581, Seventy-fifth Congress;
Buffalo Bayou and tributaries, Tex.	Buffalo Bayou and its tributaries, Texas; House Document Numbered 456, Seventy-fifth Congress;
Dickinson Bayou, Tex.	Dickinson Bayou, Texas; House Document Numbered 568, Seventy-fifth Congress;
Louisiana-Texas Intracoastal Waterway.	Louisiana-Texas Intracoastal Waterway; House Documents Numbered 564, 640, 641, 642, and 643, Seventy-fifth Congress;
Port Aransas-Corpus Christi Waterway, Tex.	Port Aransas-Corpus Christi Waterway, Texas; House Document Numbered 574, Seventy-fifth Congress;
Charlevoix Harbor, Mich.	Charlevoix Harbor, Michigan; Senate Document Numbered 163, Seventy-fifth Congress;
Saginaw River, Mich.	Saginaw River, Michigan; House Document Numbered 576, Seventy-fifth Congress;
Richmond Harbor, Calif.	Richmond Harbor, California; House Document Numbered 598, Seventy-fifth Congress;
Bodega Bay, Calif.	Bodega Bay, California; House Document Numbered 619, Seventy-fifth Congress;
San Pablo Bay and Mare Island Strait, Calif.	San Pablo Bay and Mare Island Strait, California; House Document Numbered 644, Seventy-fifth Congress;
Umpqua River, Oreg.	Umpqua River, Oregon; Senate Document Numbered 158, Seventy-fifth Congress;
Columbia River, between Chinook, Wash., and Sand Island.	Columbia River, between Chinook, Washington, and the head of Sand Island; Rivers and Harbors Committee Document Numbered 50, Seventy-fifth Congress;
Neah Bay, Wash.	Neah Bay, Washington; Rivers and Harbors Committee Document Numbered 51, Seventy-fifth Congress;
Everett Harbor, Wash.	Everett Harbor, Washington; House Document Numbered 546, Seventy-fifth Congress;
Iliuliuk Harbor, Alaska.	Iliuliuk Harbor, Alaska; House Document Numbered 543, Seventy-fifth Congress;
Skagway Harbor, Alaska.	Skagway Harbor, Alaska; House Document Numbered 547, Seventy-fifth Congress;
Valdez Harbor, Alaska.	Valdez Harbor, Alaska; House Document Numbered 415, Seventy-fifth Congress.
Exchange of land or other property authorized.	SEC. 2. That in any case in which it may be necessary or advisable in the execution of an authorized work of river and harbor improvement to exchange land or other property of the Government for private lands or property required for such project, the Secretary of War may, upon the recommendation of the Chief of Engineers, authorize such exchange upon terms and conditions deemed appropriate by him, and any conveyance of Government land or interests therein necessary to effect such exchange may be executed by the Secretary of War: <i>Provided further</i> , That the authority hereby granted to the Secretary of War shall not extend to or include lands held or acquired by the Tennessee Valley Authority pursuant to the
<i>Proviso.</i> Lands under Tennessee Valley Authority.	

terms of the Tennessee Valley Authority Act. This section shall apply to any exchanges heretofore deemed advisable in connection with the construction of the Bonneville Dam in the Columbia River.

SEC. 3. To provide suitable office quarters for the district engineer in charge of maintenance and operation of the Washington Aqueduct and of river and harbor improvements in the Washington District the Secretary of War is authorized to alter and remodel the pumping station building at McMillan Park in accordance with plans approved by the Chief of Engineers, the cost of such alteration and remodeling to be paid from appropriations heretofore or hereafter made by Congress for maintenance and improvement of existing river and harbor works.

SEC. 4. That any amounts collected from any person, persons, or corporations as a reimbursement for lost, stolen, or damaged property, purchased in connection with river and harbor or flood control work prosecuted under the direction of the Secretary of War and the supervision of the Chief of Engineers, whether collected in cash or by deduction from amounts otherwise due such person, persons, or corporations, hereafter shall be credited in each case to the appropriation that bore the cost of purchase, repair, or replacement of the lost, stolen, or damaged property.

SEC. 5. That the provisions of section 204 of part II of the Legislative Appropriation Act, fiscal year 1933, shall not be so construed as to prevent the employment by the Chief of Engineers under agreement as authorized by section 6 of the River and Harbor Act of July 3, 1930, of any retired civilian employee whose expert assistance may be needed in connection with the prosecution of river and harbor or flood control works: *Provided*, That during the period of such employment a sum equal to the retired pay of the employee shall be deducted from the compensation agreed upon.

SEC. 6. That the conditions of local cooperation applicable to the improvement of the Illinois Waterway (Calumet-Sag route) printed in House Document 180, Seventy-third Congress, second session, are hereby modified by eliminating therefrom the requirement that local interests will furnish "evidence satisfactory to the Secretary of War that the twenty movable bridges across the Sanitary Canal will be placed in operating condition or otherwise satisfactorily altered": *Provided*, That local interests will install operating machinery and place in operating condition the three drawbridges across the Chicago Sanitary and Ship Canal between its junction with the Calumet-Sag Channel and Lockport when directed by the Secretary of War: *Provided further*, That this resolution shall not be construed as modifying the provisions of section 18 of the River and Harbor Act of March 3, 1899 (30 Stat. 1153).

SEC. 7. That section 14 of Public Law Numbered 585, Sixty-eighth Congress, approved March 3, 1925, is hereby amended by striking out the word "Locust" and inserting in lieu thereof the word "Sipsey", so that said section 14, as amended, will read as follows:

"SEC. 14. That the portion of Black Warrior River between Dam Numbered 17 and the junction of Sipsey and Mulberry Forks, in the State of Alabama, shall hereafter be known as 'Lake Bankhead.'"

SEC. 8. The Secretary of War is hereby authorized and directed to cause preliminary examinations and surveys to be made at the following-named localities, the cost thereof to be paid from appropriations heretofore or hereafter made for such purposes: *Provided*, That no preliminary examination, survey, project, or estimate for new works other than those designated in this or some prior Act or joint resolution shall be made: *Provided further*, That after the regular or formal reports made as required by law on any examination, survey, project, or work under way or proposed are submitted no

Application to  
Bonneville Dam.

Washington Aque-  
duct, district engi-  
neer's office quarters.

McMillan Park  
pumping station  
building, alteration,  
etc.

Credit of reim-  
bursements on ac-  
count of loss or dam-  
age.

Employment of re-  
tired expert civilian  
employees.  
47 Stat. 404.  
5 U. S. C. §§ 715,  
715a.  
46 Stat. 947.  
33 U. S. C. §§ 569a,  
584a, 607a.

*Proviso.*  
Deduction of  
amount of retired pay.

Illinois Waterway.  
Modification of con-  
ditions of local coop-  
eration.

*Provisos.*  
Operating machin-  
ery, designated draw-  
bridges, by local in-  
terests.

Prevention of navi-  
gation obstructions.  
30 Stat. 1153.  
33 U. S. C. § 502.  
43 Stat. 1197.

Lake Bankhead.  
Name of portion of  
Black Warrior River  
changed to.

Preliminary exam-  
inations and surveys.

*Provisos.*  
Specific authority  
required.

No subsequent re-  
port to be made.

Adoption of projects  
by law.

## Maine.

Massachusetts and  
New Hampshire.

## Massachusetts.

## Connecticut.

## New York.

## New Jersey.

## Delaware.

## Maryland.

## Virginia.

## North Carolina.

## Florida.

## Alabama.

supplemental or additional report or estimate shall be made unless authorized by law: *And provided further*, That the Government shall not be deemed to have entered upon any project for the improvement of any waterway or harbor mentioned in this Act until the project for the proposed work shall have been adopted by law:

South side of the channel, South Harpswell, Maine.

Merrimack River, Massachusetts and New Hampshire, with a view to improvement for navigation, flood control, and water power.

Manchester Harbor, Massachusetts, with a view to constructing a breakwater between Magnolia Point and Kettle Island.

Menemsha Creek, Marthas Vineyard, Massachusetts.

Pond Village Landing, Truro, Massachusetts.

Marblehead Harbor, Massachusetts.

Salem Harbor, Massachusetts.

Niantic Harbor and River, Connecticut.

Catskill Creek, New York.

Jamaica Bay, New York.

Bay Shore Harbor, New York.

Beach Haven Inlet, New Jersey.

Cedar Creek, Ocean County, New Jersey.

West bank of the Delaware River, between New Castle and Delaware City, Delaware, with a view to protection from damage by overflows.

Indian River, Delaware.

Baltimore Harbor and Channels, Maryland: Cut-off channel to Inland Waterway from Delaware River to Chesapeake Bay.

Herring Creek, Saint Marys County, Maryland.

Macum Creek, at the mouth of the Chester River, Queen Annes County, Maryland.

Oyster Creek, Anne Arundel County, Maryland.

Cadle Creek, Anne Arundel County, Maryland.

South Creek and West River, Anne Arundel County, Maryland.

Broad Creek, Middlesex County, Virginia.

Scott's Creek, Virginia.

Waterway from Chesapeake Bay, through Accomac County, Virginia, to the Atlantic Ocean.

Channel from Manteo, via Broad Creek, to Oregon Inlet, North Carolina.

Channel from Pamlico Sound to Avon, North Carolina.

Channel from the Intracoastal Waterway to, and turning basin at, Cocoa, Florida.

Channel from the Intracoastal Waterway to, and turning basin at, Holly Hill, Florida.

Little Manatee River and inlets, Florida, and channel to navigable waters in Tampa Bay.

Intracoastal Waterway from Jacksonville, Florida, to Miami, Florida.

Allapatchee River (Alligator Creek), Florida.

Pithlachascotee River, Florida.

Bayou Grande, Florida.

New Pass, Florida, connecting Sarasota Bay with the Gulf of Mexico.

Waterway from Punta Rasa, Florida, by way of the Caloosahatchee River and Canal, Lake Okeechobee, and Saint Lucie Canal and River, to Fort Pierce;

Watson Bayou, Panama City, Florida, from deep water in Saint Andrews Bay to the head of navigation.

Tombigbee River, Alabama, from vicinity of Jackson Landing south, and between Lock and Dam Numbered 1 and Sunflower Bend.

Cadet Bayou, in the vicinity of Waveland, Hancock County, Mississippi.

Watts Bayou, Hancock County, Mississippi.

Chunky Creek, Chickasawhay River, and Pascagoula River, Mississippi, with a view to their improvement in the interest of navigation, flood control, and water power.

Teche-Vermillion waterway, Louisiana, with a view to improvement in the interest of navigation, flood control, and other water uses.

L'Ea Bleu Bayou, Louisiana.

Isle de Cane Bayou, Louisiana.

Kinney Coulee, Louisiana.

Portage Bayou and Delcambre Canal, Louisiana.

Indian Bayou, Louisiana.

Violet Canal Route, Louisiana.

Waterway from Welsh, Louisiana, to the Intracoastal Waterway, by way of Bayou Lacassine; also with a view to the acquisition of the Welsh Waterway.

Chefuncte River and Bogue Falia, Louisiana, from Lake Pontchartrain to Covington.

Survey of channel for the purposes of navigation, flood control, power, and irrigation from Jefferson, Texas, to Shreveport, Louisiana, by way of Jefferson-Shreveport Waterway, thence by way of Red River to mouth of Red River in the Mississippi River, including advisability of water-supply reservoirs in Cypress River and Black Cypress River above head of navigation.

Sulphur River, Texas and Arkansas, with the view to improvement for navigation, flood control, and water power.

San Antonio River, Texas, with a view to its improvement for navigation, flood control, power, and for the prevention of erosion.

Des Moines River, Iowa; also with particular reference to the construction of a dam at or near Madrid.

Allegheny River, Pennsylvania.

Grand Marais Harbor, Minnesota.

Duck Creek, Brown County, Wisconsin.

Kawkawlin River, Michigan, with a view to dredging the outlet, with a view to its improvement in the interests of navigation and flood control.

Saint Ignace Harbor, Michigan.

Harbor Springs Harbor, Michigan.

Yacht Basin and Harbor at Menominee, Michigan.

Collinsville Cut, Solano County, California.

Tillamook Bay, Oregon, with a view to protection of Bay Ocean, and property thereon, from erosion and storms.

Salmon River, Oregon.

North slough and vicinity, Coos County, Oregon, with a view to the construction of a dam and dike to prevent the flow of tidal waters into said North slough.

Columbia River at The Dalles, Oregon, with particular reference to the improvement of Hungry Harbor.

Umpqua River, Oregon, with a view to determining the advisability of providing for navigation, in connection with power development, control of floods, and the needs of irrigation.

Bay Center Channel, Willapa Harbor, Washington, extending from Palix River to Bay Center Dock.

SEC. 9. That the times for commencing and completing the construction of a dam and dike for preventing the flow of tidal waters into North slough in Coos County, Oregon, in township 24 south, range 13 west, Willamette meridian, authorized to be constructed by the State of Oregon, acting through its highway department, the

Mississippi.

Louisiana.

Texas and Louisiana.

Texas and Arkansas.

Texas.

Iowa.

Pennsylvania.

Minnesota.

Wisconsin.

Michigan.

California.

Oregon.

Washington.

North Slough, Coos County, Oregon.  
Time extended for construction of dam, etc., by Oregon.

50 Stat. 856.  
Rights reserved.

Easements for  
rights-of-way for pub-  
lic roads, Federal  
lands.

Provisos.  
Condition.

Forfeiture for viola-  
tion of terms.

Authority not to ex-  
tend to lands under  
Tennessee Valley Au-  
thority.

Rivers and harbors.  
Compilation of laws  
relating to improve-  
ment, printing author-  
ized.

Nicaragua Canal,  
gathering of hydro-  
logical data author-  
ized.

North Slough Drainage District, and the North Slough Diking District by an Act of Congress approved August 26, 1937, is extended one and three years, respectively, from August 26, 1938. The right to alter, amend, or repeal this section is hereby expressly reserved.

SEC. 10. That the Secretary of War be, and he is hereby, authorized and empowered, under such terms and conditions as are deemed advisable by him, to grant easements for rights-of-way for public roads and streets on and across lands acquired by the United States for river and harbor and flood control improvements including, whenever necessary, the privilege of occupying so much of said lands as may be necessary for the piers, abutments, and other portions of a bridge structure: *Provided*, That such rights-of-way shall be granted only upon a finding by the Secretary of War that the same will be in the public interest and will not substantially injure the interest of the United States in the property affected thereby: *Provided further*, That all or any part of such rights-of-way may be annulled and forfeited by the Secretary of War for failure to comply with the terms or conditions of any grant hereunder or for nonuse or for abandonment of rights granted under the authority hereof: *Provided further*, That the authority hereby granted to the Secretary of War shall not extend to or include lands held or acquired by the Tennessee Valley Authority pursuant to the terms of the Tennessee Valley Authority Act.

SEC. 11. That the laws of the United States relating to the improvement of rivers and harbors, passed between March 4, 1913, until and including the laws of the third session of the Seventy-fifth Congress, shall be compiled under the direction of the Secretary of War and printed as a document, and that six hundred additional copies shall be printed for the use of the War Department.

SEC. 12. That the Secretary of War is hereby authorized to continue the gathering of hydrological data, concerning the proposed Nicaragua Canal, by personnel operating continuously in Nicaragua under the supervision of the Chief of Engineers, as recommended in House Document Numbered 139, 72nd Congress, 1st Session; the cost of this work, and such incidental expenses as may be necessary in connection therewith, to be paid from appropriations hereafter made for examinations, surveys and contingencies of Rivers and Harbors.

Approved, June 20, 1938.

#### [CHAPTER 536]

#### AN ACT

To create the office of the Librarian Emeritus of the Library of Congress.

June 20, 1938  
[H. R. 10846]  
[Public, No. 686]

Librarian Emeritus,  
Library of Congress;  
position created.

Salary.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That upon separation from the service, by resignation or otherwise, on or after July 1, after the approval of this Act, Herbert Putnam, the present Librarian of Congress, who has served in that office for thirty-nine years, shall become Librarian Emeritus, with such duties as the President of the United States may prescribe, and the President of the United States shall thereupon appoint his successor, by and with the advice and consent of the Senate. The said Herbert Putnam shall receive as Librarian Emeritus compensation at the rate of \$5,000 per annum. Such salary shall be paid in equal monthly installments by the disbursing officer of the Library of Congress, and such sums as may be necessary to make such payments are hereby authorized to be appropriated.

Approved, June 20, 1938.

## [CHAPTER 554]

## JOINT RESOLUTION

Making appropriations for work relief, relief, and otherwise to increase employment by providing loans and grants for public works projects.

June 21, 1938  
[H. J. Res. 679]  
[Pub. Res., No. 122]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* This joint resolution may be cited as the "Work Relief and Public Works Appropriation Act of 1938".

Work Relief and  
Public Works Approp-  
riation Act of 1938.

## TITLE I—WORK RELIEF AND RELIEF

SECTION 1. That in order to continue to provide work relief on useful public projects, and relief, in the United States and its Territories and possessions, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to remain available until June 30, 1939, as follows:

(1) To the Works Progress Administration, \$1,425,000,000, together with the balances of allocations heretofore made or hereafter to be made to the Works Progress Administration under the Emergency Relief Appropriation Act of 1937 and the joint resolution of March 2, 1938, which remain unobligated on June 30, 1938, and such amounts shall be available for (a) administration; (b) the prosecution of projects approved for such Administration under the provisions of the Emergency Relief Appropriation Act of 1935, the Emergency Relief Appropriation Act of 1936, and the Emergency Relief Appropriation Act of 1937, and the joint resolution of March 2, 1938, which projects shall not be subject to the limitations (1), (2), and (3) of (d) hereof; (c) aiding self-help and cooperative associations for the benefit of needy persons; and (d) the following types of public projects, Federal and non-Federal, subject to the approval of the President, and the amounts to be used for each class shall not, except as hereinafter provided, exceed the respective amounts stated, namely: (1) Highways, roads, and streets, \$484,500,000; (2) public buildings; parks and other recreational facilities, including buildings therein; public utilities; electric transmission and distribution lines or systems to serve persons in rural areas, including projects sponsored by and for the benefit of nonprofit and cooperative associations; sewer systems, water supply and purification systems; airports and other transportation facilities; flood control; drainage; irrigation; conservation; eradication of insect pests; projects for the production of lime and marl in Wisconsin for fertilizing soil for distribution to farmers under such conditions as may be determined by the sponsors of such projects under provisions of State law; and miscellaneous construction projects, \$655,500,000; and (3) educational, professional, clerical, cultural, recreational, production, service, including training for domestic service, and miscellaneous non-construction projects, \$285,000,000: *Provided*, That the amount specified for any of the foregoing classes may be increased by not to exceed 15 per centum thereof by transfer or retransfer of an amount or amounts from any other class or classes: *Provided further*, That notwithstanding any other provisions of this Title, or of the Anti-Deficiency Act, the Works Progress Administrator is authorized, from time to time, out of funds appropriated in this sub-section, to use such amount or amounts not to exceed in the aggregate \$25,000,000, as may be determined by the President to be necessary, for the purpose of providing direct relief for needy persons; such amounts may be used in the discretion and under the direction of the President and through such agency or agencies as he may designate;

Title I—Emergency  
Relief Appropriation  
Act of 1938.

Continuation of relief and work relief, appropriation for designated objects.

Works Progress Administration.  
Balances reappropriated.  
50 Stat. 352.

*Ante*, p. 83.

Availability.

49 Stat. 115, 1608; 50 Stat. 352.  
15 U. S. C., Supp. II, § 728.

*Ante*, p. 83.  
Limitations.

Types of projects subject to Executive approval.

Highways.  
Public buildings, etc.

Public utilities.  
*Ante*, p. 670.

Water supply, airports, flood control, conservation, etc.

Educational, etc.

*Provisos*.  
Increases allowed.

Use of sums for providing direct relief for needy persons.



Works Progress Administration for the National Youth Administration.

Balances of previous allocations; availability.

*Ante*, p. 83.

*Ante*, p. 809.

Part-time work, etc., to needy youth.

Educational assistance.

Secretary of Agriculture, for administration, etc.

Department of the Interior, Puerto Rico Reconstruction Administration.

Designated agencies for administrative expenses.

United States Employees' Compensation Commission.  
*Post*, p. 814.

Designated agencies for administrative expenses.

Department of Justice.  
49 Stat. 118.

Restriction on use of funds.

Apportionment of funds appropriated to Works Progress Administration.

(2) To the Works Progress Administration for the National Youth Administration, \$75,000,000, together with the balances of allocations heretofore made or hereafter to be made to the Works Progress Administration for the National Youth Administration under the Emergency Relief Appropriation Act of 1937 and the joint resolution of March 2, 1938, which remain unobligated on June 30, 1938, and such sums shall be available to provide, subject to the approval of the President, on projects of the types specified under (1) (d) hereof for the Works Progress Administration, part-time work and training to needy young persons who are no longer in regular attendance at school and who have been unable to obtain employment, and to enable needy young persons to continue their education at schools, colleges, and universities;

(3) To the Secretary of Agriculture, \$175,000,000, together with balances of allocations heretofore made or hereafter to be made to the Farm Security Administration under the Emergency Relief Appropriation Act of 1937 and the joint resolution of March 2, 1938, which remain unobligated on June 30, 1938, and such sums shall be available for administration, loans, relief, and rural rehabilitation for needy persons;

(4) To the Department of the Interior, Puerto Rico Reconstruction Administration, \$6,000,000 together with the balance of allocations heretofore made or hereafter to be made to such Administration under the Emergency Relief Appropriation Act of 1937 and the joint resolution of March 2, 1938, which remain unobligated on June 30, 1938, and such amounts shall be available for administration, loans, and rural rehabilitation for needy persons and for Federal and non-Federal projects of the type specified for the Works Progress Administration under limitations (1), (2), and (3) of (1) (d) hereof;

(5) To the following agencies for administrative expenses incident to carrying out the purposes of this title: (a) General Accounting Office, \$4,180,000; (b) Treasury Department: Procurement Division, Branch of Supply \$5,500,000; Division of Disbursement, \$3,500,000; Office of the Treasurer, \$750,000; Secret Service Division, \$300,000; Office of Commissioner of Accounts and Deposits and Division of Bookkeeping and Warrants, \$8,000,000 for administrative accounting; total, Treasury Department, \$18,050,000; and (c) Department of Commerce, Bureau of Air Commerce, \$325,000;

(6) To the United States Employees' Compensation Commission for expenditure in accordance with the provisions of section 16 of this title, \$3,500,000; and any allocations heretofore made or hereafter to be made to such Commission under the Emergency Relief Appropriation Act of 1937 or prior Emergency Relief Appropriation Acts shall not be rescinded or reallocated for any other purpose;

(7) To the following agencies for administrative expenses: (a) National Emergency Council, \$850,000; (b) National Resources Committee, \$750,000; and (c) Department of Labor, United States Employment Service, \$3,000,000; and

(8) To the Department of Justice, \$1,250,000, for administrative expenses in carrying out the provisions of section 5 of the Emergency Relief Appropriation Act of 1935;

Total of appropriations, title I, \$1,712,905,000.

The funds made available by this title shall be used only for work relief or relief for persons in need except as otherwise specifically provided herein.

Sec. 2. The funds appropriated in this title to the Works Progress Administration shall be so apportioned and distributed over the period ending February 28, 1939, and shall be so administered during

such period as to constitute the total amount that will be furnished to such Administration during such period for relief purposes, except that upon the happening of some extraordinary emergency or unusual circumstance, which could not be anticipated at the time of making such apportionment, the same may be waived or modified by the President, who shall fully set forth the reasons therefor at the time of any such action and communicate the same to Congress in connection with any estimates for additional appropriations to carry out the purposes of this title, but any such waiver or modification shall not have the effect of reducing the total period of apportionment of such funds as provided herein by more than one month; and the funds appropriated in this title to the Secretary of Agriculture, to the Works Progress Administration for the National Youth Administration, and to the other agencies, shall be so apportioned and distributed over the twelve months of the fiscal year ending June 30, 1939, and shall be so administered during such fiscal year as to constitute the total amounts that will be furnished to the Secretary of Agriculture, to the Works Progress Administration for the National Youth Administration, and to the other agencies during such fiscal year for the purposes of this title.

SEC. 3. The Administrator of the Works Progress Administration is authorized to allocate to other Federal departments, establishments, and agencies, for the purpose of operating projects of the types specified for the Works Progress Administration under section 1 of this title, including administrative expenses of any such department, establishment, or agency incident to the operation of such projects, not to exceed \$60,000,000 of the funds made available by such section to such Administration and to prescribe rules and regulations for the operation of such projects: *Provided*, That not to exceed 5 per centum of the total amount so allotted to any such department, establishment, or agency shall be expended for such administrative expenses.

SEC. 4. The Works Progress Administration, the National Youth Administration within the Works Progress Administration, the Farm Security Administration within the Department of Agriculture, the National Emergency Council, and the National Resources Committee are hereby extended until June 30, 1939, to carry out the purposes of this title.

SEC. 5. No Federal construction project, except flood control and water conservation projects authorized under other law, shall be undertaken or prosecuted under the appropriations in this title unless and until there shall have been allocated and irrevocably set aside Federal funds sufficient for its completion; and no non-Federal project shall be undertaken or prosecuted under such appropriations unless and until the sponsor has made a written agreement to finance such part of the entire cost thereof as is not to be supplied from Federal funds.

SEC. 6. Federal agencies having supervision of projects prosecuted under the appropriations in this title are authorized to receive from sponsors of non-Federal projects contributions in services, materials or money, such money to be deposited with the Treasurer of the United States. Such contributions shall be expended or utilized as agreed upon between the sponsor and the Federal agency.

SEC. 7. In carrying out the purposes of this title, the heads of the departments, establishments, and agencies to which funds are appropriated herein are authorized to prescribe such rules and regulations as may be necessary.

SEC. 8. The appropriations in this title for administrative expenses and such portion of other appropriations in this title as are available for administrative expenses shall not be obligated for such adminis-

Emergencies, etc.

Allocation of funds by Works Progress Administrator to other Federal agencies for operation of projects.  
*Ante*, p. 670.

*Proviso.*  
Limitation on administrative expenses.

Designated agencies extended until June 30, 1939.

Work forbidden unless funds for completion allocated; exception.  
*Ante*, p. 670.

Non-Federal projects.

Acceptance of contributions from sponsors of non-Federal projects.

Rules and regulations by heads of departments, etc.

Administrative expenses not to exceed allocations.

Authorized expenditures.

49 Stat. 117.

*Proviso.*  
Limitation on amount for administration.

Rates of pay on projects.

*Proviso.*  
Labor Standards Act.  
Minimum rates if enacted.

*Post*, p. 1080.

Employment of needy not heretofore listed.

*Provisos.*  
Restriction on employment.

Restoration where separation not due to fault of enrollee.

Adjusted compensation not considered in determining employment need.

Quarterly statements by relief workers.

Needy farmers.

trative expenses in excess of the amounts which the department, establishment, or agency, with the approval of the Director of the Bureau of the Budget, shall have certified to the Secretary of the Treasury as necessary for such purposes. The amounts so certified for administrative expenses shall be available for expenditure by such department, establishment, or agency concerned for personal services in the District of Columbia and elsewhere and for the objects set forth in subsection (a) of section 3 of the Emergency Relief Appropriation Act of 1935 and with the authority set forth in subsection (b) of such section of such Act: *Provided*, That not to exceed 5 per centum of the amount made available in section 1 of this title to the Works Progress Administration and to the Works Progress Administration for the National Youth Administration shall be used for administration.

SEC. 9. The rates of pay for persons engaged upon projects under the appropriations in this title shall be not less than the prevailing rates of pay for work of a similar nature in the same locality as determined by the Works Progress Administration: *Provided*, That if minimum rates of pay for persons employed by private employers in any occupation are established by or pursuant to the authority conferred by any Labor Standards Act enacted at the third session of the Seventy-fifth Congress, not less than the minimum rates of pay so established shall be paid to persons in similar occupations in the same locality employed on projects under the appropriation in subsection one of section one of this title.

SEC. 10. In the employment of persons on projects under the appropriations in this title, applicants in actual need whose names have not heretofore been placed on relief rolls shall be given the same eligibility for employment as applicants whose names have heretofore appeared on such rolls: *Provided*, That in order to insure the fulfillment of the purposes for which such appropriations are made and to avoid competition between the Works Progress Administration and other Federal or non-Federal agencies in the employment of labor on construction projects of any nature whatsoever, financed in whole or in part by the Federal Government, no relief worker shall be eligible for employment on any project of the Works Progress Administration who has refused to accept employment on any other Federal or non-Federal project at a wage rate comparable with or higher than the wage rate established for similar work on projects of the Works Progress Administration: *Provided further*, That any relief worker who has been engaged on any Federal or non-Federal project and whose service has been regularly terminated through no fault of his own shall not lose his eligibility for restoration to the relief rolls or for reemployment on any other Federal or non-Federal project on account of such previous employment: *Provided further*, That the fact that a person is entitled to or has received either adjusted-service bonds or a Treasury check in payment of an adjusted-compensation certificate shall not be considered in determining actual need of such employment: *Provided further*, That every relief worker employed on any Federal or non-Federal Works Progress Administration project shall be required, as a condition to his continued employment, to file quarterly a statement as to the amount of his earnings, if any, from outside employment while he was assigned to such a project, and the statements so filed shall be taken into consideration in assigning such workers to employment on such projects and in continuing them in such employment. Farmers in need and who need employment to supplement their farm income but who are not on relief rolls shall have the same eligibility for employment on projects in rural areas as persons on such rolls.

SEC. 11. No alien illegally within the limits of the United States, and no alien who has not, prior to the date of enactment of this joint resolution, filed a declaration of intention to become an American citizen which is valid and has not expired, shall knowingly be given employment or continued in employment on any project prosecuted under the appropriations in this title: *Provided*, That preference in employment on such projects shall be given in the following order: (1) Veterans of the World War and the Spanish-American War and veterans of any campaign or expedition in which the United States has been engaged (as determined on the basis of the laws administered by the Veterans' Administration) who are in need and are American citizens; (2) other American citizens, Indians and other persons owing allegiance to the United States who are in need; and (3) those aliens in need whose declarations of intention to become American citizens were filed prior to the date of enactment of this joint resolution and are valid and have not expired.

Illegally entered, etc., aliens, restriction on employment on projects.

*Proviso.*  
Preferences in employment.

SEC. 12. No person employed on work projects under the appropriations in this title and in need who refuses a bona fide offer of private employment under reasonable working conditions which pays as much or more in compensation for the same length of service as such person receives or could receive under such appropriations and who is capable of performing such work, shall be retained in employment for the period such private employment would be available: *Provided*, That any person who takes such private employment shall at the expiration thereof be entitled to immediate resumption of his previous employment status if he is still in need and if he has lost the private employment through no fault of his own.

Refusal of private employment offer.

*Proviso.*  
Eligibility on expiration of private employment.

SEC. 13. Appointments to Federal positions of an administrative or advisory capacity under the appropriations in this title in any State shall be made from among the bona fide citizens of that State so far as not inconsistent with efficient administration.

Federal administrative, etc., positions in States, appointments.

So far as not inconsistent with efficient administration no part of the appropriations in this title shall be available to pay the compensation of any officer or employee of the United States who holds an administrative, executive, or supervisory position under this joint resolution, if the position is in any office located outside the District of Columbia or is on any project prosecuted in any place outside the District of Columbia, unless such person is an actual and bona fide citizen of the State, Territory, region, or district in which the office or project is situated, but this provision shall not apply to the temporary and emergency assignment of any person to a position where the period of service in such position does not exceed sixty days.

Requirements.

SEC. 14. No part of any appropriation in this title shall be used to pay the salary or expenses of any person in a supervisory or administrative position who is a candidate for any State, district, county, or municipal office (such office requiring full time of such person and to which office a salary or per diem attaches), in any primary, general or special election, or who is serving as a campaign manager or assistant thereto for any such candidate.

Candidate for State office or campaign manager, pay restriction.

SEC. 15. Hereafter, so far as not inconsistent with efficient administration, all appointments of persons to the Federal Service for employment within the District of Columbia, under the provisions of this joint resolution, whether such appointments be within the classified civil service or otherwise, shall be apportioned among the several States and the District of Columbia upon the basis of population as ascertained at the last preceding census.

Apportionment of appointments.

In making separations from the Federal Service, or furloughs without pay to last as long as three months, of persons employed within the District of Columbia, under the provisions of this joint

Separations; retention of appointees according to State population.

*Proviso.*  
Soldiers, sailors, etc.,  
preferential status.

Disability or death  
compensation.  
48 Stat. 351.  
5 U. S. C. § 798.  
Employees except-  
ed.

Services under Na-  
tional Youth Admin-  
istration.

*Provisos.*  
Limitation.

Special fund created.

Availability.  
*Ante*, p. 415.

Use outside United  
States.

Cases within pur-  
view of State, etc.,  
workmen's compensa-  
tion laws.

Establishment of  
special funds for mate-  
rials, supplies, etc.

Minor purchases.  
R. S. § 3709.  
41 U. S. C. § 5.

False statements  
with intent to de-  
fraud, etc.

resolution the appointing power shall give preference, as nearly as good administration will warrant, in retention to appointees from States that have not received their share of appointments according to population: *Provided, however*, That soldiers, sailors, and marines, the widows of such, or the wives of injured soldiers, sailors, and marines, who themselves are not qualified, but whose wives are qualified to hold a position in the Government Service, shall be given preference in retention, in their several grades and classes, where their ratings are good or better.

SEC. 16. The provisions of the Act of February 15, 1934 (48 Stat. 351), as amended, relating to disability or death compensation and benefits shall apply to persons (except administrative employees qualifying as civil employees of the United States) receiving compensation from the appropriations in this title for services rendered as employees of the United States and to persons receiving assistance in the form of payments from the United States for services rendered under the National Youth Administration created by Executive order of June 26, 1935: *Provided*, That effective July 1, 1938, the monthly compensation in any individual case heretofore or hereafter coming within the purview of such Act of February 15, 1934, shall not exceed the rate of \$50, and the aggregate payments shall not exceed \$4,000, exclusive of medical costs: *Provided further*, That so much of the appropriation in section 1 of this title to the United States Employees' Compensation Commission, as the Commission, with the approval of the Director of the Bureau of the Budget, estimates and certifies to the Secretary of the Treasury will be necessary for the payment of such compensation and administrative expenses shall be set aside in a special fund to be available and to be administered by the Commission during the fiscal year 1939 for such purposes; and after June 30, 1939, such special fund shall be added to and become part of the "Employees' Compensation Fund, Emergency Relief", set up in accordance with the provisions of the Independent Offices Appropriation Act, 1939: *Provided further*, That said "Employees' Compensation Fund, Emergency Relief" and the special fund herein authorized shall not be limited in its use to the United States, its Territories, and possessions and any payments heretofore made to persons outside the United States, its Territories, and possessions from the special funds set aside to be administered by said Commission, if otherwise valid, are hereby validated: *Provided further*, That this section shall not apply in any case coming within the purview of the workmen's compensation law of any State or Territory, or in which the claimant has received or is entitled to receive similar benefits for injury or death.

SEC. 17. In carrying out the purpose of the appropriations in this title, the Secretary of the Treasury is authorized to prescribe rules and regulations for the establishment of special funds for the Procurement Division, Branch of Supply, Treasury Department, and the Works Progress Administration, in the nature of revolving funds for use, until June 30, 1939, in the purchase, repair, distribution, or rental of materials, supplies, equipment, and tools.

SEC. 18. The provisions of section 3709 of the Revised Statutes (41 U. S. C., 5) shall not apply to any purchase made or service procured in connection with the foregoing appropriation when the aggregate amount involved is less than \$300.

SEC. 19. Any person who knowingly and with intent to defraud the United States makes any false statement in connection with any application for any project, employment, or relief aid under the appropriations in this title, or diverts, or attempts to divert or assists in diverting, for the benefit of any person or persons not

entitled thereto, any portion of such appropriation, or any services or real or personal property acquired thereunder, or who knowingly, by means of any fraud, force, threat, intimidation, or boycott, or discrimination on account of race, religion, political affiliations, or membership in a labor organization, deprives any person of any of the benefits to which he may be entitled under any such appropriation, or attempts so to do, or assists in so doing, shall be deemed guilty of a misdemeanor and fined not more than \$2,000 or imprisoned not more than one year, or both.

Penalty.

SEC. 20. The Works Progress Administrator is authorized to consider, ascertain, adjust, determine, and pay from the appropriation to the Works Progress Administration in this title any claim arising out of operations thereunder accruing after the effective date of this title on account of damage to or loss of property caused by the negligence of an employee of the Works Progress Administration or of the National Youth Administration while acting within the scope of his employment: *Provided*, That no claim shall be considered hereunder which is in excess of \$500, or which is not presented in writing to the Administration within one year from the date of accrual thereof: *Provided further*, That acceptance by any claimant of the amount allowed on account of his claim shall be deemed to be in full settlement thereof, and the action of the Administrator upon such claim so accepted by the claimant shall be conclusive.

Ascertainment and payment of certain damage claims.

Provisos.  
Limitations.

Acceptance of amount deemed in full settlement.

SEC. 21. Reports of the operations under the appropriations in this joint resolution and the appropriation contained in the Emergency Relief Appropriation Act of 1937 and the joint resolution of March 2, 1938, including a statement of the expenditures made and obligations incurred by classes, projects, and amounts shall be submitted by the President to Congress on or before the fifteenth of January in each of the next two regular sessions of Congress: *Provided*, That such reports shall be in lieu of the report required by section 14 of such Act of 1937.

Reports of operations to Congress.  
50 Stat. 352; *ante*, p. 83.

Proviso.  
Existing requirement superseded.  
50 Stat. 357.

SEC. 22. No part of the funds made available in this joint resolution shall be loaned or granted, except pursuant to an obligation incurred prior to the date of the enactment of this joint resolution, to any State, or any of its political subdivisions or agencies, for the purpose of carrying out or assisting in carrying out any program or project of constructing, rebuilding, repairing, or replanning its penal or reformatory institutions, unless the President shall find that the projects to be financed with such loan or grant will not cause or promote competition of the products of convict labor with the products of free labor.

Restriction on use of funds.

SEC. 23. The funds herein appropriated to the Works Progress Administration, exclusive of those used for administrative expenses, shall be so administered by the Works Progress Administrator that, except as hereinafter provided, expenditure authorizations for other than labor costs for all the projects financed from such funds in any State, Territory, possession, or the District of Columbia shall not exceed an average of \$7 per month per worker employed after June 30, 1938, and prior to February 28, 1939, on all such projects: *Provided*, That not to exceed \$25,000,000 of the funds herein appropriated to the Works Progress Administration may be used by the Works Progress Administrator to supplement the amounts so authorized for other than labor costs in any State, Territory, possession, or the District of Columbia where in the opinion of the Administrator an emergency makes such additional expenditures necessary to assure the operation of sound projects.

Limitation on expenditures for other than labor costs.

Proviso.  
Supplementary funds in emergency.

SEC. 24. This title may be cited as the "Emergency Relief Appropriation Act of 1938".

Short title.

Title II—Public  
Works Administration  
Appropriation  
Act of 1938.  
Appropriation.  
*Post*, pp. 1152, 1153.

48 Stat. 200; 49 Stat.  
115, 1608; 50 Stat. 352.

Availability.

Authorized expend-  
itures.

*Proviso.*  
Use for enlarging  
Indian Reservations  
forbidden.

Time limitations.

*Proviso.*  
Exception.

Allocations for Fed-  
eral construction proj-  
ects.

Classes.

*Proviso.*  
Military or naval  
purposes.

Grants for non-Fed-  
eral projects, limita-  
tion on amount.

Projects constructed  
for lease to public  
agencies, limitation.

Administrative ex-  
penses.

## TITLE II—PUBLIC WORKS ADMINISTRATION PROJECTS

Sec. 201. (a) In order to increase employment by providing for useful public works projects of the kind and character which the Federal Emergency Administrator of Public Works (herein called the "Administrator") has heretofore financed or aided in financing, pursuant to Title II of the National Industrial Recovery Act, the Emergency Relief Appropriation Act of 1935, the Emergency Relief Appropriation Act of 1936, or the Public Works Administration Extension Act of 1937, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to remain available until June 30, 1940, the sum of \$965,000,000, to be expended by such Administrator, subject to the approval of the President, for (1) the making of allotments to finance Federal projects, or (2) the making of loans or grants, or both, to States, Territories, possessions, political subdivisions, or other public bodies (herein called public agencies), or (3) the construction and leasing of projects, with or without the privilege of purchase, to any such public agencies: *Provided*, That no funds appropriated under this title shall be available for the acquisition of land to enlarge Indian Reservations.

(b) No funds appropriated under this title shall be allotted for any project which in the determination of the Administrator cannot be commenced prior to January 1, 1939, or the completion of which cannot be substantially accomplished prior to June 30, 1940: *Provided*, That this limitation upon time shall not apply to any project enjoined in any Federal or State court.

(c) Under subsection (a) (1) of this section not to exceed \$200,000,000 shall be allotted to Federal agencies for Federal construction projects (including projects for making surveys and maps, not exceeding \$2,500,000) in continental United States outside the District of Columbia, and such projects shall be selected from among the following classes: (1) Projects authorized by law and for the acquisition of land for sites for such authorized projects; (2) projects for the enlargement, extension, or remodeling of existing Federal plants, institutions, or facilities; (3) projects for hospitals and domiciliary facilities of the Veterans' Administration (including the acquisition of land for sites therefor) and any such allotments shall be available for the purposes and under the conditions specified in the appropriation for "Hospitals and domiciliary facilities" in the Independent Offices Appropriation Act, 1939; and (4) projects for penal and correctional facilities under the Department of Justice, including the acquisition of land for sites therefor: *Provided*, That not to exceed \$15,000,000 of such allotments shall be made for military or naval purposes except for the housing or hospitalization of personnel or for storage of material, supplies, and equipment at existing establishments.

(d) No grant shall be made in excess of 45 per centum of the cost of any non-Federal project, and no project shall be constructed for lease to any public agency unless the Administrator shall determine that the nonrecoverable portion of the cost of such project shall not exceed 45 per centum of the cost thereof.

(e) Not more than \$750,000,000 of the funds appropriated under this title shall be used for grants, or for defraying the estimated non-recoverable portion of the cost of projects constructed for lease to public agencies.

(f) Not more than \$15,000,000 of the appropriation in this title shall be available for administrative expenses of the Administration during the fiscal year ending June 30, 1939; such amount and the amount made available in the Independent Offices Appropriation

Act, 1939, for administrative expenses for the Federal Emergency Administration of Public Works shall be available for administrative expenses thereof during such fiscal year for the purposes and under the conditions set forth in such Act for such Administration, except that the condition therein that such administrative expenses are in "connection with the liquidation of said Administration" is hereby rescinded and both amounts are hereby made available, in addition to the other purposes, for the purchase and exchange of motor-propelled passenger-carrying vehicles for official use in field work and in the District of Columbia in a total amount not to exceed \$75,000 but not more than \$1,500 thereof shall be so expended for such purchase and exchange for use in such District. And the Administrator shall reserve from the appropriation in this title an adequate amount for administrative expenses of the Administration for the fiscal year ending June 30, 1940, for the completion (except liquidation) of the activities of such Administration, subject to authorization hereafter by annual appropriation acts for the utilization thereof.

(g) Not more than \$400,000,000 may be used, from the moneys realized from the sale of securities acquired with funds made available by this title or with the proceeds of such securities, for the making of further loans hereunder.

(h) No Federal construction project, except flood control and water conservation or utilization projects now under actual construction, shall be undertaken or prosecuted under the appropriation in this title unless and until there shall have been allocated and irrevocably set aside Federal funds sufficient for its completion; and no moneys for a non-Federal project shall be paid from the funds made available by this title to any public agency unless and until adequate provision has been made, or in the opinion of the Administrator is assured, for financing such part of the entire cost thereof as is not to be supplied from Federal funds.

SEC. 202. The Federal Emergency Administration of Public Works is hereby continued to the close of the fiscal year ending June 30, 1941, and is hereby authorized to continue to perform all functions which it is authorized to perform on the date of enactment hereof. All provisions of law existing on the date of enactment hereof, and relating to the availability of funds for carrying out any of the functions of such Administration are hereby continued to the end of such fiscal year, except that the date specified in the Emergency Relief Appropriation Act of 1936, as amended by section 201 of the Public Works Administration Extension Act of 1937, prior to which, in the determination of the Administrator, projects for which moneys made available by such Act were authorized to be granted, can be substantially completed is hereby changed from "July 1, 1939" to "July 1, 1940".

SEC. 203. That portion of section 203 of the Public Works Administration Extension Act of 1937, which reads as follows, is hereby repealed: "; and after the date of the enactment of this joint resolution no allotment shall be made by the Administrator for any project the application for which has not been approved by the examining divisions of the Administration prior to such date".

SEC. 204. Section 206 of the Public Works Administration Extension Act of 1937 is hereby amended to read as follows:

"SEC. 206. No new applications for loans or grants for non-Federal projects shall be received by the Administration after September 30, 1938: *Provided*, That this section shall not apply to applications amendatory of applications for projects received prior to October 1, 1938, and such applications shall be confined to projects, which, in the determination of the Administrator, can be started and completed

*Ante*, p. 434.

Certain conditions rescinded.

Administrative expenses for fiscal year 1940.

Funds from sale of securities, etc., use of portion for making further loans.

Work forbidden unless funds for completion allocated; exceptions.

Non-Federal projects.

Continuation of Administration to June 30, 1941.

Provisions of law extended.

49 Stat. 1608, 50 Stat. 357.

Approval of applications; provision repealed. 50 Stat. 357.

50 Stat. 358.

Loans or grants for non-Federal projects; time limitation on new applications. *Proviso*. Exceptions.



within the time limits specified in section 201 (b) of the Public Works Administration Appropriation Act of 1938."

Short title.

SEC. 205. This title may be cited as the "Public Works Administration Appropriation Act of 1938".

Title III—Federal Public Buildings Appropriation Act of 1938.

Sites and construction. Authorizations increased.

### TITLE III—FEDERAL PUBLIC BUILDINGS

50 Stat. 773.

Provisions applicable, operative; exception.

Appropriation.

Consolidation of funds.

Short title.

Title IV—Rural Electrification Act of 1938.

Loans authorized. 49 Stat. 1364. 7 U. S. C., Supp. III, § 903.

Use of materials of American manufacture.

Salaries and expenses.

Ante, p. 424.

SEC. 301. Construction of Public Buildings Outside the District of Columbia: The total amount authorized to be appropriated for the three-year program for the acquisition of sites and construction of public buildings by the paragraph under the caption "Emergency Construction of Public Buildings Outside the District of Columbia", contained in the "Third Deficiency Appropriation Act, fiscal year 1937", approved August 25, 1937 (50 Stat. 773), is hereby increased from \$70,000,000 to \$130,000,000. All applicable provisions and authority of such paragraph shall be operative with respect to the enlarged authorization provided in this title except that the list from which projects, including the sites therefor, are to be selected by the Postmaster General and the Secretary of the Treasury acting jointly shall be the revision, dated April 25, 1938, of House Report Numbered 1879, Seventy-third Congress. Toward such increased program there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$25,000,000, of which not to exceed \$500,000 may be utilized as an addition to the fund specified in such paragraph in such Act for the augmentation of the limits of cost of selected projects in amounts not exceeding 10 per centum of such limits of cost. The appropriations heretofore made under the authority of such paragraph, together with the appropriation in this title, shall be consolidated into a single fund and be available toward the consummation of the entire authorized program.

SEC. 302. This title may be cited as the "Federal Public Buildings Appropriation Act of 1938".

### TITLE IV—RURAL ELECTRIFICATION LOANS

SEC. 401. The Act entitled "An Act to provide for rural electrification, and for other purposes", approved May 20, 1936 (49 Stat. 1363), is hereby amended as follows: (a) By inserting in subsection (a) of section 3 thereof immediately following the date "June 30, 1937" the phrase "and \$100,000,000 for the fiscal year ending June 30, 1939" and (b) by striking out the date "June 30, 1937" appearing at the end of subsection (c) of such section 3 and inserting in lieu thereof the date "June 30, 1939".

In making loans pursuant to this title and pursuant to the Rural Electrification Act of 1936, the Administrator of the Rural Electrification Administration shall require that, to the extent practicable and the cost of which is not unreasonable, the borrower agree to use in connection with the expenditure of such funds only such unmanufactured articles, materials, and supplies, as have been mined or produced in the United States, and only such manufactured articles, materials, and supplies as have been manufactured in the United States substantially all from articles, materials, or supplies mined, produced, or manufactured, as the case may be, in the United States.

SEC. 402. For an additional amount for salaries and expenses of the Rural Electrification Administration, fiscal years 1938 and 1939, including the same objects and under the same conditions specified under this head in the Independent Offices Appropriation Act, 1939, including printing and binding, there is appropriated, out of any

money in the Treasury not otherwise appropriated, the sum of \$700,000: *Provided*, That no part of any appropriation contained in this or any other Act for the fiscal year ending June 30, 1939, shall be available for the payment of enlistment allowance to enlisted men for reenlistment within a period of three months from date of discharge as to reenlistments made during the fiscal year ending June 30, 1939, notwithstanding the applicable provisions of sections 9 and 10 of the Act entitled "An Act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service", approved June 10, 1922 (37 U. S. C. 13, 16).

*Proviso.*  
Reenlistment allowance, restriction.

42 Stat. 629.  
37 U. S. C. §§ 13-16.  
Short title.

SEC. 403. This title may be cited as the "Rural Electrification Act of 1938".

## TITLE V—PRICE ADJUSTMENT ACT OF 1938

Title V—Price Adjustment Act of 1938.

SEC. 501. There is hereby appropriated out of any money in the Treasury not otherwise appropriated, to be available until expended, the sum of \$212,000,000 to enable the Secretary of Agriculture to make parity payments to producers of wheat, cotton, corn (in the commercial corn-producing area), rice, and tobacco pursuant to the provisions of section 303 of the Agricultural Adjustment Act of 1938: *Provided, however*, That, notwithstanding the provisions of said section, one-half of this sum shall be apportioned among such commodities in accordance with the provisions of said section 303 of the Agricultural Adjustment Act of 1938 and one-half shall be apportioned among such commodities in the same proportion that funds available for sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act would be allocated to such commodities in connection with the 1939 agricultural conservation program on the basis of the standards set forth in section 104 of the Agricultural Adjustment Act of 1938: *Provided further*, That such payments with respect to any such commodity shall be made upon the normal yield of the farm acreage allotment established for the commodity under the 1939 agricultural conservation program, and shall be made with respect to a farm only in the event that the acreage planted to the commodity for harvest on the farm in 1939 is not in excess of the farm acreage allotment established for the commodity under said program: *And provided further*, That the rate of payment with respect to any commodity shall not exceed the amount by which the average farm price of the commodity is less than 75 per centum of the parity price.

Appropriation for making parity payments to certain producers of wheat, cotton, corn, etc.

*Ante*, p. 45.  
*Provisos.*  
Apportionment of funds.

49 Stat. 1148-1151.  
16 U. S. C., Supp. III, §§ 590g-590q.

*Ante*, p. 35.  
Basis of payments.

Rate, limitation.

Parity income construed.

In apportioning the funds among commodities, parity income for each commodity shall be considered a normal year's domestic consumption and exports (in the case of corn, that part of a normal year's domestic consumption and exports determined on the basis of the proportion that corn production in the commercial corn-producing area was of United States production during the five years 1928-32, inclusive) of such commodity times the parity price. In determining parity prices and farm prices for these commodities, that part of the marketing year ending January 31, 1939, shall be used. In case any person who is entitled to payment hereunder dies, becomes incompetent or disappears before receiving such payment or is succeeded by another who renders or completes the required performance, payment shall, without regard to any other provisions of law, be made as the Secretary of Agriculture may determine to be fair and reasonable in all the circumstances and provide by regulations. The administration of this title shall be in accordance with the provisions of the Agricultural Adjustment Act of 1938 and the provisions of other titles of this joint resolution shall not apply to this title.

Determination of parity prices and farm prices.

Provisions applicable.  
*Ante*, p. 31.

Short title.

This title may be cited as the "Price Adjustment Act of 1938."

Agricultural Ad-  
justment Act of 1938,  
amendments.

Loans upon wheat if  
price below 52 per cen-  
tum of parity price.  
*Ante*, p. 43.

Loans upon cotton.  
*Ante*, p. 43.

Loans upon corn.  
*Ante*, p. 43.

SEC. 502. (a) The first sentence of subsection (b) of section 302 of the Agricultural Adjustment Act of 1938, as amended, is amended (1) by inserting after "June 15" the words "or at any time thereafter during such marketing year;" and (2) by striking out "on such date" and inserting in lieu thereof "at any such time".

(b) The first sentence of subsection (c) of section 302 of such Act, as amended, is amended (1) by adding after "August 1" the words "or at any time thereafter during such marketing year"; and (2) by striking out "on such date" and inserting in lieu thereof "at any such time".

(c) The first sentence of subsection (d) of section 302 of such Act, as amended, is amended by inserting after "November 15" wherever it appears the words "or at any time thereafter during such marketing year".

## TITLE VI—UNITED STATES HOUSING AUTHORITY

United States Hous-  
ing Act Amendments  
of 1938.

50 Stat. 892.  
42 U. S. C., Supp.  
III, § 1410 (e).

Contracts, limita-  
tion on authority.

Appropriations au-  
thorized for annual  
contribution.

Payments pledged  
as security.

*Proviso.*  
Application of an-  
nual contributions.

Term defined.

50 Stat. 898.  
42 U. S. C., Supp.  
III, § 1420 (a).  
Issuance of obliga-  
tions.  
Maximum amount.

Short title.

SEC. 601. Section 10 of the United States Housing Act of 1937 (referred to in this title as the "Act") is amended by amending subsection "(e)" and adding a new subsection "(f)" as follows:

"(e) The Authority is authorized, on and after the date of the enactment of this Act, to enter into contracts which provide for annual contributions aggregating not more than \$28,000,000 per annum. Without further authorization from Congress, no new contracts for annual contributions beyond those herein authorized shall be entered into by the Authority. The faith of the United States is solemnly pledged to the payment of all annual contributions contracted for pursuant to this section, and there is hereby authorized to be appropriated in each fiscal year, out of any money in the Treasury not otherwise appropriated, the amounts necessary to provide for such payments.

"(f) Payments under annual contributions contracts shall be pledged as security for any loans obtained by a public-housing agency to assist the development of the housing project to which the annual contributions relate: *Provided*, That annual contributions shall be used first to apply toward the payment of interest or principal as same mature on any loan due to the Authority from the public-housing agency. The term 'any loan due to the Authority' as used in this section shall mean any loan made by the Authority (including any bonds or other evidences of such loan which are resold by the Authority) to assist the development of the project to which the annual contributions relate."

SEC. 602. Section 20 (a) of the Act is amended to read as follows:

"SEC. 20. (a) The Authority is authorized to issue obligations in the form of notes, bonds, or otherwise, which it may sell to obtain funds for the purposes of this Act. The Authority may issue such obligations in an amount not to exceed \$800,000,000. Such obligations shall be in such forms and denominations, mature within such periods not exceeding sixty years from date of issue, bear such rates of interest not exceeding 4 per centum per annum, be subject to such terms and conditions, and be issued in such manner and sold at such prices as may be prescribed by the Authority with the approval of the Secretary of the Treasury."

SEC. 603. This title may be cited as the "United States Housing Act Amendments of 1938."

Approved, June 21, 1938.

## [CHAPTER 555]

## AN ACT

To authorize the attendance of the Marine Band at the United Confederate Veterans' 1938 Reunion at Columbia, South Carolina, from August 30 to September 2, 1938, both dates inclusive.

June 21, 1938

[S. 4070]

[Public, No. 687]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the President is authorized to permit the band of the United States Marine Corps to attend and give concerts at the United Confederate Veterans' Reunion to be held at Columbia, South Carolina, from August 30 to September 2, 1938, both dates inclusive.

United Confederate  
Veterans' Reunion,  
Columbia, S. C.  
Attendance of Ma-  
rine Band authorized.

SEC. 2. For the purpose of defraying the expenses of such band in attending and giving concerts at such reunion there is authorized to be appropriated the sum of \$4,000, or so much thereof as may be necessary, to carry out the provisions of this Act: *Provided*, That in addition to transportation and Pullman accommodations the leaders and members of the Marine Band be allowed not to exceed \$5 per day each for actual living expenses while on this duty, and that the payment of such expenses shall be in addition to the pay and allowances to which they would be entitled while serving at their permanent station.

Appropriation au-  
thorized.  
*Post*, p. 1142.

*Proviso.*  
Allowances.

Approved, June 21, 1938.

## [CHAPTER 556]

## AN ACT

To regulate the transportation and sale of natural gas in interstate commerce, and for other purposes.

June 21, 1938

[H. R. 6586]

[Public, No. 688]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

## NECESSITY FOR REGULATION OF NATURAL-GAS COMPANIES

SECTION 1. (a) As disclosed in reports of the Federal Trade Commission made pursuant to S. Res. 83 (Seventieth Congress, first session) and other reports made pursuant to the authority of Congress, it is hereby declared that the business of transporting and selling natural gas for ultimate distribution to the public is affected with a public interest, and that Federal regulation in matters relating to the transportation of natural gas and the sale thereof in interstate and foreign commerce is necessary in the public interest.

Necessity for regu-  
lation of natural-gas  
companies.  
Declaration of pol-  
icy.

(b) The provisions of this Act shall apply to the transportation of natural gas in interstate commerce, to the sale in interstate commerce of natural gas for resale for ultimate public consumption for domestic, commercial, industrial, or any other use, and to natural-gas companies engaged in such transportation or sale, but shall not apply to any other transportation or sale of natural gas or to the local distribution of natural gas or to the facilities used for such distribution or to the production or gathering of natural gas.

Application of pro-  
visions.

Exemptions.

SEC. 2. When used in this Act, unless the context otherwise requires—

Definitions.

(1) "Person" includes an individual or a corporation.

"Person."

(2) "Corporation" includes any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, receiver or receivers, trustee or trustees of any of the foregoing, but shall not include municipalities as hereinafter defined.

"Corporation."

- "Municipality." (3) "Municipality" means a city, county, or other political subdivision or agency of a State.
- "State." (4) "State" means a State admitted to the Union, the District of Columbia, and any organized Territory of the United States.
- "Natural gas." (5) "Natural gas" means either natural gas unmixed, or any mixture of natural and artificial gas.
- "Natural-gas company." (6) "Natural-gas company" means a person engaged in the transportation of natural gas in interstate commerce, or the sale in interstate commerce of such gas for resale.
- "Interstate commerce." (7) "Interstate commerce" means commerce between any point in a State and any point outside thereof, or between points within the same State but through any place outside thereof, but only insofar as such commerce takes place within the United States.
- "State commission." (8) "State commission" means the regulatory body of the State or municipality having jurisdiction to regulate rates and charges for the sale of natural gas to consumers within the State or municipality.
- "Commission" and "Commissioner." (9) "Commission" and "Commissioner" means the Federal Power Commission, and a member thereof, respectively.

#### EXPORTATION OR IMPORTATION OF NATURAL GAS

Exportation or importation of natural gas.

Issuance of orders by Commission upon application.

SEC. 3. After six months from the date on which this Act takes effect no person shall export any natural gas from the United States to a foreign country or import any natural gas from a foreign country without first having secured an order of the Commission authorizing it to do so. The Commission shall issue such order upon application, unless, after opportunity for hearing, it finds that the proposed exportation or importation will not be consistent with the public interest. The Commission may by its order grant such application, in whole or in part, with such modification and upon such terms and conditions as the Commission may find necessary or appropriate, and may from time to time, after opportunity for hearing, and for good cause shown, make such supplemental order in the premises as it may find necessary or appropriate.

#### RATES AND CHARGES; SCHEDULES; SUSPENSION OF NEW RATES

Rates and charges.

Undue preferences or advantages.

Unreasonable difference in rates, etc.

Schedules and contracts.

SEC. 4. (a) All rates and charges made, demanded, or received by any natural-gas company for or in connection with the transportation or sale of natural gas subject to the jurisdiction of the Commission, and all rules and regulations affecting or pertaining to such rates or charges, shall be just and reasonable, and any such rate or charge that is not just and reasonable is hereby declared to be unlawful.

(b) No natural-gas company shall, with respect to any transportation or sale of natural gas subject to the jurisdiction of the Commission, (1) make or grant any undue preference or advantage to any person or subject any person to any undue prejudice or disadvantage, or (2) maintain any unreasonable difference in rates, charges, service, facilities, or in any other respect, either as between localities or as between classes of service.

(c) Under such rules and regulations as the Commission may prescribe, every natural-gas company shall file with the Commission, within such time (not less than sixty days from the date this Act takes effect) and in such form as the Commission may designate, and shall keep open in convenient form and place for public inspection, schedules showing all rates and charges for any transportation or sale subject to the jurisdiction of the Commission, and the classifications, practices, and regulations affecting such rates and charges, together with all contracts which in any manner affect or relate to such rates, charges, classifications, and services.

(d) Unless the Commission otherwise orders, no change shall be made by any natural-gas company in any such rate, charge, classification, or service, or in any rule, regulation, or contract relating thereto, except after thirty days' notice to the Commission and to the public. Such notice shall be given by filing with the Commission and keeping open for public inspection new schedules stating plainly the change or changes to be made in the schedule or schedules then in force and the time when the change or changes will go into effect. The Commission, for good cause shown, may allow changes to take effect without requiring the thirty days' notice herein provided for by an order specifying the changes so to be made and the time when they shall take effect and the manner in which they shall be filed and published.

Change in rate, classification, or service.

(e) Whenever any such new schedule is filed the Commission shall have authority, either upon complaint of any State, municipality, or State commission, or upon its own initiative without complaint, at once, and if it so orders, without answer or formal pleading by the natural-gas company, but upon reasonable notice, to enter upon a hearing concerning the lawfulness of such rate, charge, classification, or service; and, pending such hearing and the decision thereon, the Commission, upon filing with such schedules and delivering to the natural-gas company affected thereby a statement in writing of its reasons for such suspension, may suspend the operation of such schedule and defer the use of such rate, charge, classification, or service, but not for a longer period than five months beyond the time when it would otherwise go into effect: *Provided*, That the Commission shall not have authority to suspend the rate, charge, classification, or service for the sale of natural gas for resale for industrial use only; and after full hearings, either completed before or after the rate, charge, classification, or service goes into effect, the Commission may make such orders with reference thereto as would be proper in a proceeding initiated after it had become effective. If the proceeding has not been concluded and an order made at the expiration of the suspension period, on motion of the natural-gas company making the filing, the proposed change of rate, charge, classification, or service shall go into effect. Where increased rates or charges are thus made effective, the Commission may, by order, require the natural-gas company to furnish a bond, to be approved by the Commission, to refund any amounts ordered by the Commission, to keep accurate accounts in detail of all amounts received by reason of such increase, specifying by whom and in whose behalf such amounts were paid, and, upon completion of the hearing and decision, to order such natural-gas company to refund, with interest, the portion of such increased rates or charges by its decision found not justified. At any hearing involving a rate or charge sought to be increased, the burden of proof to show that the increased rate or charge is just and reasonable shall be upon the natural-gas company, and the Commission shall give to the hearing and decision of such questions preference over other questions pending before it and decide the same as speedily as possible.

Hearings.

*Proviso.*  
Sales for resale for industrial uses only.

If proceeding not concluded, etc.

Bond.

Refunds if increased rates not approved.

Burden of proof.

#### FIXING RATES AND CHARGES; DETERMINATION OF COST OF PRODUCTION OR TRANSPORTATION

SEC. 5. (a) Whenever the Commission, after a hearing had upon its own motion or upon complaint of any State, municipality, State commission, or gas distributing company, shall find that any rate, charge, or classification demanded, observed, charged, or collected by any natural-gas company in connection with any transportation or sale of natural gas, subject to the jurisdiction of the Commission,

Fixing rates and charges.

*Proviso.*  
Power of Commission to increase or decrease rates.

Determination of cost of production or transportation.

Ascertainment of cost of property.

Inventory of property; original cost, improvements, etc.

Extension of facilities.

*Proviso.*  
Not to impair service, etc.

Abandonment of service.

or that any rule, regulation, practice, or contract affecting such rate, charge, or classification is unjust, unreasonable, unduly discriminatory, or preferential, the Commission shall determine the just and reasonable rate, charge, classification, rule, regulation, practice, or contract to be thereafter observed and in force, and shall fix the same by order: *Provided, however,* That the Commission shall have no power to order any increase in any rate contained in the currently effective schedule of such natural gas company on file with the Commission, unless such increase is in accordance with a new schedule filed by such natural gas company; but the Commission may order a decrease where existing rates are unjust, unduly discriminatory, preferential, otherwise unlawful, or are not the lowest reasonable rates.

(b) The Commission upon its own motion, or upon the request of any State commission, whenever it can do so without prejudice to the efficient and proper conduct of its affairs, may investigate and determine the cost of the production or transportation of natural gas by a natural-gas company in cases where the Commission has no authority to establish a rate governing the transportation or sale of such natural gas.

#### ASCERTAINMENT OF COST OF PROPERTY

SEC. 6. (a) The Commission may investigate and ascertain the actual legitimate cost of the property of every natural-gas company, the depreciation therein, and, when found necessary for rate-making purposes, other facts which bear on the determination of such cost or depreciation and the fair value of such property.

(b) Every natural-gas company upon request shall file with the Commission an inventory of all or any part of its property and a statement of the original cost thereof, and shall keep the Commission informed regarding the cost of all additions, betterments, extensions, and new construction.

#### EXTENSION OF FACILITIES; ABANDONMENT OF SERVICE

SEC. 7. (a) Whenever the Commission, after notice and opportunity for hearing, finds such action necessary or desirable in the public interest, it may by order direct a natural-gas company to extend or improve its transportation facilities, to establish physical connection of its transportation facilities with the facilities of, and sell natural gas to, any person or municipality engaged or legally authorized to engage in the local distribution of natural or artificial gas to the public, and for such purpose to extend its transportation facilities to communities immediately adjacent to such facilities or to territory served by such natural-gas company, if the Commission finds that no undue burden will be placed upon such natural-gas company thereby: *Provided,* That the Commission shall have no authority to compel the enlargement of transportation facilities for such purposes, or to compel such natural-gas company to establish physical connection or sell natural gas when to do so would impair its ability to render adequate service to its customers.

(b) No natural-gas company shall abandon all or any portion of its facilities subject to the jurisdiction of the Commission, or any service rendered by means of such facilities, without the permission and approval of the Commission first had and obtained, after due hearing, and a finding by the Commission that the available supply of natural gas is depleted to the extent that the continuance of service is unwarranted, or that the present or future public convenience or necessity permit such abandonment.

(c) No natural-gas company shall undertake the construction or extension of any facilities for the transportation of natural gas to a market in which natural gas is already being served by another natural-gas company, or acquire or operate any such facilities or extensions thereof, or engage in transportation by means of any new or additional facilities, or sell natural gas in any such market, unless and until there shall first have been obtained from the Commission a certificate that the present or future public convenience and necessity require or will require such new construction or operation of any such facilities or extensions thereof: *Provided, however,* That a natural-gas company already serving a market may enlarge or extend its facilities for the purpose of supplying increased market demands in the territory in which it operates. Whenever any natural-gas company shall make application for a certificate of convenience and necessity under the provisions of this subsection, the Commission shall set the matter for hearing and shall give such reasonable notice of the hearing thereon to all interested persons as in its judgment may be necessary under rules and regulations to be prescribed by the Commission. In passing on applications for certificates of convenience and necessity, the Commission shall give due consideration to the applicant's ability to render and maintain adequate service at rates lower than those prevailing in the territory to be served, it being the intention of Congress that natural gas shall be sold in interstate commerce for resale for ultimate public consumption for domestic, commercial, industrial, or any other use at the lowest possible reasonable rate consistent with the maintenance of adequate service in the public interest.

Duplication of facilities.

*Proviso.*  
Enlargement of existing facilities.

Certificates of convenience and necessity, hearings, etc.

#### ACCOUNTS, RECORDS, AND MEMORANDA

SEC. 8. (a) Every natural-gas company shall make, keep, and preserve for such periods, such accounts, records of cost-accounting procedures, correspondence, memoranda, papers, books, and other records as the Commission may by rules and regulations prescribe as necessary or appropriate for purposes of the administration of this Act: *Provided, however,* That nothing in this Act shall relieve any such natural-gas company from keeping any accounts, memoranda, or records which such natural-gas company may be required to keep by or under authority of the laws of any State. The Commission may prescribe a system of accounts to be kept by such natural-gas companies, and may classify such natural-gas companies and prescribe a system of accounts for each class. The Commission, after notice and opportunity for hearing, may determine by order the accounts in which particular outlays or receipts shall be entered, charged, or credited. The burden of proof to justify every accounting entry questioned by the Commission shall be on the person making, authorizing, or requiring such entry, and the Commission may suspend a charge or credit pending submission of satisfactory proof in support thereof.

Accounts, records, and memoranda.

*Proviso.*  
State requirements.

Commission may prescribe system of accounts.

Burden of proof.

(b) The Commission shall at all times have access to and the right to inspect and examine all accounts, records, and memoranda of natural-gas companies; and it shall be the duty of such natural-gas companies to furnish to the Commission, within such reasonable time as the Commission may order, any information with respect thereto which the Commission may by order require, including copies of maps, contracts, reports of engineers, and other data, records, and papers, and to grant to all agents of the Commission free access to its property and its accounts, records, and memoranda when requested

Inspection of accounts, etc.



Divulging of information prohibited.

Extent of jurisdiction of Commission.

so to do. No member, officer, or employee of the Commission shall divulge any fact or information which may come to his knowledge during the course of examination of books, records, data, or accounts, except insofar as he may be directed by the Commission or by a court.

(c) The books, accounts, memoranda, and records of any person who controls directly or indirectly a natural-gas company subject to the jurisdiction of the Commission and of any other company controlled by such person, insofar as they relate to transactions with or the business of such natural-gas company, shall be subject to examination on the order of the Commission.

#### RATES OF DEPRECIATION

Rates of depreciation.

Charges.

Restriction.

Jurisdiction of State commissions.

Presentation of views of State commissions.

SEC. 9. (a) The Commission may, after hearing, require natural-gas companies to carry proper and adequate depreciation and amortization accounts in accordance with such rules, regulations, and forms of account as the Commission may prescribe. The Commission may from time to time ascertain and determine, and by order fix, the proper and adequate rates of depreciation and amortization of the several classes of property of each natural-gas company used or useful in the production, transportation, or sale of natural gas. Each natural-gas company shall conform its depreciation and amortization accounts to the rates so ascertained, determined, and fixed. No natural-gas company subject to the jurisdiction of the Commission shall charge to operating expenses any depreciation or amortization charges on classes of property other than those prescribed by the Commission, or charge with respect to any class of property a percentage of depreciation or amortization other than that prescribed therefor by the Commission. No such natural-gas company shall in any case include in any form under its operating or other expenses any depreciation, amortization, or other charge or expenditure included elsewhere as a depreciation or amortization charge or otherwise under its operating or other expenses. Nothing in this section shall limit the power of a State commission to determine in the exercise of its jurisdiction, with respect to any natural-gas company, the percentage rates of depreciation or amortization to be allowed, as to any class of property of such natural-gas company, or the composite depreciation or amortization rate, for the purpose of determining rates or charges.

(b) The Commission, before prescribing any rules or requirements as to accounts, records, or memoranda, or as to depreciation or amortization rates, shall notify each State commission having jurisdiction with respect to any natural-gas company involved and shall give reasonable opportunity to each such commission to present its views and shall receive and consider such views and recommendations.

#### PERIODIC AND SPECIAL REPORTS

Periodic and special reports.

Items to be included.

SEC. 10. (a) Every natural-gas company shall file with the Commission such annual and other periodic or special reports as the Commission may by rules and regulations or order prescribe as necessary or appropriate to assist the Commission in the proper administration of this Act. The Commission may prescribe the manner and form in which such reports shall be made, and require from such natural-gas companies specific answers to all questions upon which the Commission may need information. The Commission may require that such reports shall include, among other things, full information as to assets and liabilities, capitalization, investment and reduction thereof, gross receipts, interest due and paid, depreciation, amortization, and other reserves, cost of facilities, cost of maintenance and

operation of facilities for the production, transportation, or sale of natural gas, cost of renewal and replacement of such facilities, transportation, delivery, use, and sale of natural gas. The Commission may require any such natural-gas company to make adequate provision for currently determining such costs and other facts. Such reports shall be made under oath unless the Commission otherwise specifies.

(b) It shall be unlawful for any natural-gas company willfully to hinder, delay, or obstruct the making, filing, or keeping of any information, document, report, memorandum, record, or account required to be made, filed, or kept under this Act or any rule, regulation, or order thereunder.

Willfully hindering the making and filing of any information, etc., unlawful.

#### STATE COMPACTS; REPORTS ON

State compacts.

SEC. 11. (a) In case two or more States propose to the Congress compacts dealing with the conservation, production, transportation, or distribution of natural gas it shall be the duty of the Commission to assemble pertinent information relative to the matters covered in any such proposed compact, to make public and to report to the Congress information so obtained, together with such recommendations for further legislation as may appear to be appropriate or necessary to carry out the purposes of such proposed compact and to aid in the conservation of natural-gas resources within the United States and in the orderly, equitable, and economic production, transportation, and distribution of natural gas.

Assembling of pertinent information relative to, by Commission.

(b) It shall be the duty of the Commission to assemble and keep current pertinent information relative to the effect and operation of any compact between two or more States heretofore or hereafter approved by the Congress, to make such information public, and to report to the Congress, from time to time, the information so obtained, together with such recommendations as may appear to be appropriate or necessary to promote the purposes of such compact.

Report and recommendations to Congress.

Pertinent information to be kept current, etc.

(c) In carrying out the purposes of this Act, the Commission shall, so far as practicable, avail itself of the services, records, reports, and information of the executive departments and other agencies of the Government, and the President may, from time to time, direct that such services and facilities be made available to the Commission.

Assistance of Federal agencies.

#### OFFICIALS DEALING IN SECURITIES

SEC. 12. It shall be unlawful for any officer or director of any natural-gas company to receive for his own benefit, directly or indirectly, any money or thing of value in respect to the negotiation, hypothecation, or sale by such natural-gas company of any security issued, or to be issued, by such natural-gas company, or to share in any of the proceeds thereof, or to participate in the making or paying of any dividends, other than liquidating dividends, of such natural-gas company from any funds properly included in capital account.

Officials dealing in securities.

#### COMPLAINTS

SEC. 13. Any State, municipality, or State commission complaining of anything done or omitted to be done by any natural-gas company in contravention of the provisions of this Act may apply to the Commission by petition, which shall briefly state the facts, whereupon a statement of the complaint thus made shall be forwarded by the Commission to such natural-gas company, which shall be called upon to satisfy the complaint or to answer the same in writing within a reasonable time to be specified by the Commission.

Complaints.

## INVESTIGATIONS BY COMMISSION; ATTENDANCE OF WITNESSES; DEPOSITIONS

Investigations by  
Commission, etc.  
Violations of Act,  
etc.

Written statements  
permitted.

49 Stat. 859,  
16 U. S. C., Supp.  
III, § 825k.

Gas reserves, deter-  
mination of adequacy  
or inadequacy.

Evidence.

Attendance of wit-  
nesses, etc.

Contumacy, etc.

Court orders.

Service of process.

Penalty provision.

SEC. 14. (a) The Commission may investigate any facts, conditions, practices, or matters which it may find necessary or proper in order to determine whether any person has violated or is about to violate any provision of this Act or any rule, regulation, or order thereunder, or to aid in the enforcement of the provisions of this Act or in prescribing rules or regulations thereunder, or in obtaining information to serve as a basis for recommending further legislation to the Congress. The Commission may permit any person to file with it a statement in writing, under oath or otherwise, as it shall determine, as to any or all facts and circumstances concerning a matter which may be the subject of investigation. The Commission, in its discretion, may publish in the manner authorized by section 312 of the Federal Power Act, and make available to State commissions and municipalities, information concerning any such matter.

(b) The Commission may, after hearing, determine the adequacy or inadequacy of the gas reserves held or controlled by any natural-gas company, or by anyone on its behalf, including its owned or leased properties or royalty contracts; and may also, after hearing, determine the propriety and reasonableness of the inclusion in operating expenses, capital, or surplus of all delay rentals or other forms of rental or compensation for unoperated lands and leases. For the purpose of such determinations, the Commission may require any natural-gas company to file with the Commission true copies of all its lease and royalty agreements with respect to such gas reserves.

(c) For the purpose of any investigation or any other proceeding under this Act, any member of the Commission, or any officer designated by it, is empowered to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, contracts, agreements, or other records which the Commission finds relevant or material to the inquiry. Such attendance of witnesses and the production of any such records may be required from any place in the United States or at any designated place of hearing. Witnesses summoned by the Commission to appear before it shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

(d) In case of contumacy by, or refusal to obey a subpoena issued to, any person, the Commission may invoke the aid of any court of the United States within the jurisdiction of which such investigation or proceeding is carried on, or where such person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of books, papers, correspondence, memoranda, contracts, agreements, and other records. Such court may issue an order requiring such person to appear before the Commission or member or officer designated by the Commission, there to produce records, if so ordered, or to give testimony touching the matter under investigation or in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof. All process in any such case may be served in the judicial district whereof such person is an inhabitant or wherever he may be found or may be doing business. Any person who willfully shall fail or refuse to attend and testify or to answer any lawful inquiry or to produce books, papers, correspondence, memoranda, contracts, agreements, or other records, if in his or its power so to do, in obedience to the subpoena of the Commission, shall be guilty of a misdemeanor and upon conviction shall be subject to a fine of not more

than \$1,000 or to imprisonment for a term of not more than one year, or both.

(e) The testimony of any witness may be taken at the instance of a party, in any proceeding or investigation pending before the Commission, by deposition at any time after the proceeding is at issue. The Commission may also order testimony to be taken by deposition in any proceeding or investigation pending before it at any stage of such proceeding or investigation. Such depositions may be taken before any person authorized to administer oaths not being of counsel or attorney to either of the parties, nor interested in the proceeding or investigation. Reasonable notice must first be given in writing by the party or his attorney proposing to take such deposition to the opposite party or his attorney of record, as either may be nearest, which notice shall state the name of the witness and the time and place of the taking of his deposition. Any person may be compelled to appear and depose, and to produce documentary evidence, in the same manner as witnesses may be compelled to appear and testify and produce documentary evidence before the Commission, as hereinbefore provided. Such testimony shall be reduced to writing by the person taking deposition, or under his direction, and shall, after it has been reduced to writing, be subscribed by the deponent.

Testimony by deposition.

Notice.

Compulsory appearance, etc.

(f) If a witness whose testimony may be desired to be taken by deposition be in a foreign country, the deposition may be taken before an officer or person designated by the Commission, or agreed upon by the parties by stipulation in writing to be filed with the Commission. All depositions must be promptly filed with the Commission.

Taking depositions in a foreign country.

(g) Witnesses whose depositions are taken as authorized in this Act, and the person or officer taking the same, shall be entitled to the same fees as are paid for like services in the courts of the United States.

Witness fees.

(h) No person shall be excused from attending and testifying or from producing books, papers, correspondence, memoranda, contracts, agreements, or other records and documents before the Commission, or in obedience to the subpoena of the Commission or any member thereof or any officer designated by it, or in any cause or proceeding instituted by the Commission, on the ground that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no individual shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled to testify or produce evidence, documentary or otherwise, after having claimed his privilege against self-incrimination, except that such individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

Self-incrimination not a defense against testifying.

Immunity provision.

Exception.

#### HEARINGS; RULES OF PROCEDURE

SEC. 15. (a) Hearings under this Act may be held before the Commission, any member or members thereof, or any representative of the Commission designated by it, and appropriate records thereof shall be kept. In any proceeding before it, the Commission in accordance with such rules and regulations as it may prescribe, may admit as a party any interested State, State commission, municipality or any representative of interested consumers or security holders, or any competitor of a party to such proceeding, or any other person whose participation in the proceeding may be in the public interest.

Hearings.

Admission of State, etc., as a party.

Rules of procedure.

(b) All hearings, investigations, and proceedings under this Act shall be governed by rules of practice and procedure to be adopted by the Commission, and in the conduct thereof the technical rules of evidence need not be applied. No informality in any hearing, investigation, or proceeding or in the manner of taking testimony shall invalidate any order, decision, rule, or regulation issued under the authority of this Act.

#### ADMINISTRATIVE POWERS OF COMMISSION; RULES, REGULATIONS, AND ORDERS

Administrative powers of Commission.

Rules and regulations.

Orders.

Classification of persons and matters.

Availability of rules and regulations.

SEC. 16. The Commission shall have power to perform any and all acts, and to prescribe, issue, make, amend, and rescind such orders, rules, and regulations as it may find necessary or appropriate to carry out the provisions of this Act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this Act; and may prescribe the form or forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and the time within which they shall be filed. Unless a different date is specified therein, rules and regulations of the Commission shall be effective thirty days after publication in the manner which the Commission shall prescribe. Orders of the Commission shall be effective on the date and in the manner which the Commission shall prescribe. For the purposes of its rules and regulations, the Commission may classify persons and matters within its jurisdiction and prescribe different requirements for different classes of persons or matters. All rules and regulations of the Commission shall be filed with its secretary and shall be kept open in convenient form for public inspection and examination during reasonable business hours.

#### USE OF JOINT BOARDS; COOPERATION WITH STATE COMMISSIONS

Reference of matters to joint boards.

SEC. 17. (a) The Commission may refer any matter arising in the administration of this Act to a board to be composed of a member or members, as determined by the Commission, from the State or each of the States affected or to be affected by such matter. Any such board shall be vested with the same power and be subject to the same duties and liabilities as in the case of a member of the Commission when designated by the Commission to hold any hearings. The action of such board shall have such force and effect and its proceedings shall be conducted in such manner as the Commission shall by regulations prescribe. The Board shall be appointed by the Commission from persons nominated by the State commission of each State affected, or by the Governor of such State if there is no State commission. Each State affected shall be entitled to the same number of representatives on the board unless the nominating power of such State waives such right. The Commission shall have discretion to reject the nominee from any State, but shall thereupon invite a new nomination from that State. The members of a board shall receive such allowances for expenses as the Commission shall provide. The Commission may, when in its discretion sufficient reason exists therefor, revoke any reference to such a board.

Cooperation with State commissions, regarding rate structures, costs, etc.

Joint hearings.

(b) The Commission may confer with any State commission regarding rate structures, costs, accounts, charges, practices, classifications, and regulations of natural-gas companies; and the Commission is authorized, under such rules and regulations as it shall prescribe, to hold joint hearings with any State commission in connection with any matter with respect to which the Commission is

authorized to act. The Commission is authorized in the administration of this Act to avail itself of such cooperation, services, records, and facilities as may be afforded by any State commission.

Cooperation by State agencies.

(c) The Commission shall make available to the several State commissions such information and reports as may be of assistance in State regulation of natural-gas companies. Whenever the Commission can do so without prejudice to the efficient and proper conduct of its affairs, it may, upon request from a State commission, make available to such State commission as witnesses any of its trained rate, valuation, or other experts, subject to reimbursement of the compensation and traveling expenses of such witnesses. All sums collected hereunder shall be credited to the appropriation from which the amounts were expended in carrying out the provisions of this subsection.

Availability of information to State commissions.

Crediting of sums collected.

#### APPOINTMENT OF OFFICERS AND EMPLOYEES

SEC. 18. The Commission is authorized to appoint and fix the compensation of such officers, attorneys, examiners, and experts as may be necessary for carrying out its functions under this Act, without regard to the provisions of other laws applicable to the employment and compensation of officers and employees of the United States; and the Commission may, subject to civil-service laws, appoint such other officers and employees as are necessary for carrying out such functions and fix their salaries in accordance with the Classification Act of 1923, as amended.

Appointment of officers and employees.

5 U. S. C. §§ 661-674; Supp. III, §§ 673, 673c.

#### REHEARINGS; COURT REVIEW OF ORDERS

SEC. 19. (a) Any person, State, municipality, or State commission aggrieved by an order issued by the Commission in a proceeding under this Act to which such person, State, municipality, or State commission is a party may apply for a rehearing within thirty days after the issuance of such order. The application for rehearing shall set forth specifically the ground or grounds upon which such application is based. Upon such application the Commission shall have power to grant or deny rehearing or to abrogate or modify its order without further hearing. Unless the Commission acts upon the application for rehearing within thirty days after it is filed, such application may be deemed to have been denied. No proceeding to review any order of the Commission shall be brought by any person unless such person shall have made application to the Commission for a rehearing thereon.

Rehearings.

(b) Any party to a proceeding under this Act aggrieved by an order issued by the Commission in such proceeding may obtain a review of such order in the circuit court of appeals of the United States for any circuit wherein the natural-gas company to which the order relates is located or has its principal place of business, or in the United States Court of Appeals for the District of Columbia, by filing in such court, within sixty days after the order of the Commission upon the application for rehearing, a written petition praying that the order of the Commission be modified or set aside in whole or in part. A copy of such petition shall forthwith be served upon any member of the Commission and thereupon the Commission shall certify and file with the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript such court shall have exclusive jurisdiction to affirm, modify, or set aside such order in whole or in part. No objection to the order of the Commission shall be considered by the court unless such objection shall have been urged before the Com-

Review of orders by circuit courts of appeals, etc.

Court of Appeals for District of Columbia.

Jurisdiction conferred.

Evidence.

mission in the application for rehearing unless there is reasonable ground for failure so to do. The finding of the Commission as to the facts, if supported by substantial evidence, shall be conclusive. If any party shall apply to the court for leave to adduce additional evidence, and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for failure to adduce such evidence in the proceedings before the Commission, the court may order such additional evidence to be taken before the Commission and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper. The Commission may modify its findings as to the facts by reason of the additional evidence so taken, and it shall file with the court such modified or new findings, which if supported by substantial evidence, shall be conclusive, and its recommendation, if any, for the modification or setting aside of the original order. The judgment and decree of the court, affirming, modifying, or setting aside, in whole or in part, any such order of the Commission, shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in sections 239 and 240 of the Judicial Code, as amended (U. S. C., title 28, secs. 346 and 347).

Review by U. S. Supreme Court.

28 U. S. C. §§ 246, 347.

Application for rehearing not a stay of Commission's order.

(c) The filing of an application for rehearing under subsection (a) shall not, unless specifically ordered by the Commission, operate as a stay of the Commission's order. The commencement of proceedings under subsection (b) of this section shall not, unless specifically ordered by the court, operate as a stay of the Commission's order.

## ENFORCEMENT OF ACT; REGULATIONS AND ORDERS

Enforcement of Act. Injunctions, etc.

SEC. 20. (a) Whenever it shall appear to the Commission that any person is engaged or about to engage in any acts or practices which constitute or will constitute a violation of the provisions of this Act, or of any rule, regulation, or order thereunder, it may in its discretion bring an action in the proper district court of the United States, the District Court of the United States for the District of Columbia, or the United States courts of any Territory or other place subject to the jurisdiction of the United States, to enjoin such acts or practices and to enforce compliance with this Act or any rule, regulation, or order thereunder, and upon a proper showing a permanent or temporary injunction or decree or restraining order shall be granted without bond. The Commission may transmit such evidence as may be available concerning such acts or practices or concerning apparent violations of the Federal antitrust laws to the Attorney General, who, in his discretion, may institute the necessary criminal proceedings.

Writs of mandamus.

(b) Upon application of the Commission the district courts of the United States, the District Court of the United States for the District of Columbia, and the United States courts of any Territory or other place subject to the jurisdiction of the United States shall have jurisdiction to issue writs of mandamus commanding any person to comply with the provisions of this Act or any rule, regulation, or order of the Commission thereunder.

Employment of attorneys.

(c) The Commission may employ such attorneys as it finds necessary for proper legal aid and service of the Commission or its members in the conduct of their work, or for proper representation of the public interest in investigations made by it, or cases or proceedings pending before it, whether at the Commission's own instance or upon complaint, or to appear for or represent the Commission in any case in court; and the expenses of such employment shall be paid out of the appropriation for the Commission.

## GENERAL PENALTIES

SEC. 21. (a) Any person who willfully and knowingly does or causes or suffers to be done any act, matter, or thing in this Act prohibited or declared to be unlawful, or who willfully and knowingly omits or fails to do any act, matter, or thing in this Act required to be done, or willfully and knowingly causes or suffers such omission or failure, shall, upon conviction thereof, be punished by a fine of not more than \$5,000 or by imprisonment for not more than two years, or both.

General penalties.

(b) Any person who willfully and knowingly violates any rule, regulation, restriction, condition, or order made or imposed by the Commission under authority of this Act, shall, in addition to any other penalties provided by law, be punished upon conviction thereof by a fine of not exceeding \$500 for each and every day during which such offense occurs.

## JURISDICTION OF OFFENSES; ENFORCEMENT OF LIABILITIES AND DUTIES

SEC. 22. The District Courts of the United States, the District Court of the United States for the District of Columbia, and the United States courts of any Territory or other place subject to the jurisdiction of the United States shall have exclusive jurisdiction of violations of this Act or the rules, regulations, and orders thereunder, and of all suits in equity and actions at law brought to enforce any liability or duty created by, or to enjoin any violation of, this Act or any rule, regulation, or order thereunder. Any criminal proceeding shall be brought in the district wherein any act or transaction constituting the violation occurred. Any suit or action to enforce any liability or duty created by, or to enjoin any violation of, this Act or any rule, regulation, or order thereunder may be brought in any such district or in the district wherein the defendant is an inhabitant, and process in such cases may be served wherever the defendant may be found. Judgments and decrees so rendered shall be subject to review as provided in sections 128 and 240 of the Judicial Code, as amended (U. S. C., title 28, secs. 225 and 347). No costs shall be assessed against the Commission in any judicial proceeding by or against the Commission under this Act.

Jurisdiction of offenses.

Enforcement of liabilities and duties.

28 U. S. C. §§ 225, 347.  
No court costs against Commission.

## SEPARABILITY OF PROVISIONS

SEC. 23. If any provision of this Act, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of the Act, and the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

Separability of provisions.

SEC. 24. This Act may be cited as the "Natural Gas Act."

Short title.

Approved, June 21, 1938.

## [CHAPTER 557]

## AN ACT

Authorizing the United States Maritime Commission to sell or lease the Hoboken Pier Terminals, or any part thereof, to the city of Hoboken, New Jersey.

June 21, 1938

[H. R. 10536]

[Public, No. 689]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the United States Maritime Commission is authorized for and on behalf of the United States, (1) to sell to the city of Hoboken, New Jersey, the right, title, and interest of the United States in the whole or any part of such real property now under its jurisdiction or control, and

Hoboken, N. J.  
Sale or lease of the  
Hoboken Pier Ter-  
minals to, authorized.



40 Stat. 1914.

40 Stat. 1804.

40 Stat. 459.

*Proviso.*  
Renewal of con-  
tract of lease.

Transfer of existing  
leases in event of  
lease or conveyance  
to city.

Use of property  
during emergency.

*Proviso.*  
Compensation; re-  
striction.

described in schedule A appended to a proclamation of the President of the United States, dated December 3, 1918, which was taken over by the United States by a proclamation of the President of the United States dated June 28, 1918, pursuant to the authority vested in him by the Act entitled "An Act making appropriations to supply deficiencies in appropriations for the fiscal year ending June 30, 1918, and prior fiscal years, on account of war expenses, and for other purposes," approved March 28, 1918, or (2) to lease to the said city of Hoboken the whole or any part of such aforementioned real property for any term up to fifty years, said sale or said lease to be on such terms and under such conditions as shall be mutually agreeable to the Maritime Commission and the said city of Hoboken: *Provided*, That any contract of lease executed between the Maritime Commission and the city of Hoboken under the provisions of this Act shall expressly authorize the Maritime Commission and the said city, at or before the expiration of the original contract of lease, to enter into a new contract of lease of the same property and for a like term of years.

SEC. 2. In event that the Maritime Commission, in accordance with the provisions of this Act, shall convey to said city all or any of the real property herein described, or in event that any such lease as is herein provided for, shall be executed between the Maritime Commission and the city of Hoboken, the Commission shall transfer any leases in existence upon the property so sold or leased at the time of said sale or lease, to the city of Hoboken and assign to it any future benefit to be received thereunder.

SEC. 3. In event the property herein described shall be sold to the city of Hoboken, the deed executed by the Commission shall contain express covenants that (1) in event of a national emergency the property so conveyed, with all improvements placed thereon, may be taken upon order of the President of the United States for the use of the War Department during the period of such emergency, but no longer: *Provided*, That just compensation shall be paid for any improvements placed thereon or made thereto, and (2) the said city shall not resell the property conveyed thereunder.

Approved, June 21, 1938.

## [CHAPTER 562]

## AN ACT

June 21, 1938

[S. 2739]

[Public, No. 690]

For the relief of certain employees of the Federal Emergency Administration of Public Works and the National Resources Committee.

Federal Emergency  
Administration of  
Public Works, etc.  
Settlement of claims  
for expenses of certain  
employees incurred in  
transfer to new head-  
quarters.

Funds made avail-  
able.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Comptroller General of the United States be, and he is hereby, authorized and directed to receive and settle the claims for transportation, travel, and subsistence expenses incurred by persons upon their transfer to new headquarters pursuant to orders directing such transfers which were signed for the Federal Emergency Administrator of Public Works, in the temporary absence of said Administrator, with the approval of said Administrator, during the period from September 6, 1935, to May 23, 1936, and the claims of persons for transportation, travel, and subsistence expenses incurred upon their transfer to new headquarters pursuant to an order directing such transfer which was signed for the Chairman of the National Resources Committee, in the temporary absence of said Chairman, with the approval of said Chairman, on February 24, 1936. All such claims allowed shall be payable under the appropriation otherwise available for such expenditures for

the fiscal year in which the obligation was incurred: *Provided*, That there shall be a sufficient sum available under such appropriation to settle such claims which may be found allowable; otherwise, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, a sufficient sum of money to meet the difference.

SEC. 2. In case there has been heretofore withheld or deducted from any amounts otherwise payable out of Government funds to any person hereinabove named any amount on account of any item paid or allowed for transportation charges in connection with the transfer and assignment hereinabove referred to, the Comptroller General of the United States is authorized and directed to pay, in accordance with the same provisions as outlined in section 1, to such person a sum equal to the amount so withheld or deducted.

SEC. 3. Each person affected by section 1 of this Act is hereby released from any liability to refund or pay to the Government, or otherwise discharge, any item paid or allowed for transportation charges in connection with the transfer and assignment referred to in such section, and no deductions on account of any such item shall be made from any amount due or payable out of Government funds to any such person.

Approved, June 21, 1938.

*Proviso.*  
Funds available.

Refund of amounts  
withheld or deducted.

Release of liability.

[CHAPTER 563]

AN ACT

To amend the Federal Crop Insurance Act.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 508 (a) of the Federal Crop Insurance Act (title V of Public, Numbered 430, Seventy-fifth Congress), approved February 16, 1938, is hereby amended by striking out the period at the end of the first sentence thereof and inserting in lieu thereof a colon and the following: "*Provided further*, That the Corporation may, upon such terms and conditions as it shall determine, accept payments from producers in any year to be applied toward premiums on their insurance contracts for the current and next succeeding year."

Approved, June 22, 1938.

June 22, 1938  
[S. 4076]

[Public, No. 691]

Federal Crop Insurance Act, amendment.  
*Ante*, p. 74.

Acceptance of payments toward premiums for current and next succeeding year.

[CHAPTER 564]

AN ACT

To authorize the addition of certain lands to the Modoc, Shasta, and Lassen National Forests, California.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That within the following-described areas any lands not in Government ownership, which are found by the Secretary of Agriculture to be chiefly valuable for national-forest purposes, may be offered in exchange under the provisions of the Act of March 20, 1922 (Public, Numbered 173; 42 Stat. L. 465), as amended by the Act of February 28, 1925 (Public, Numbered 513), upon notice as therein provided and upon acceptance of title, shall become parts of the said national forests; and any of such described areas in Government ownership, found by the Secretaries of Agriculture and the Interior to be chiefly valuable for national-forest purposes and not now parts of any national forest, may be added to said national forests as herein provided by proclamation of the President, subject to all valid claims

June 22, 1938  
[H. R. 7688]

[Public, No. 692]

National forests, California.  
Additions to designated, for forest purposes, authorized.

42 Stat. 465; 43 Stat. 1090.  
19 U. S. O. §§ 485, 486.

Inclusion of areas in Government ownership.

*Proviso.*  
Mineral locations,  
etc.

and provisions of existing withdrawals: *Provided*, That any lands received in exchange or purchased under the provisions of this Act shall be open to mineral locations, mineral development, and patent, in accordance with the mining laws of the United States.

Shasta National  
Forest.

To the Shasta National Forest, California:  
Township 36 north, range 3 east, section 36;  
Township 36 north, range 4 east, sections 7 to 9, inclusive, 16 to 21, inclusive, and 28 to 33, inclusive;  
Township 37 north, range 3 east, sections 1, 9, 10, 15, and 16;  
Township 37 north, range 4 east, sections 5 and 8;  
Township 38 north, range 4 east, sections 1, 2, 11 to 20, inclusive, and 29 to 32, inclusive;  
Township 38 north, range 4 west, section 21;  
Township 38 north, range 5 east, sections 4 to 9, inclusive, 18 and 19;

Modoc National  
Forest.

Township 39 north, range 4 east, sections 13, 24, 25, 26, 35, and 36;  
To the Modoc National Forest, California:  
Township 38 north, range 5 east, sections 21, 22, 25, 26, 27, 34, 35, and 36;  
Township 43 north, range 5 east, sections 2 to 11, inclusive, and 14 to 18, inclusive;  
Township 44 north, range 5 east, sections 19 to 23, inclusive, and 26 to 35, inclusive;

Lassen National  
Forest.

To the Lassen National Forest, California:  
Township 27 north, range 10 east, section 6;  
Township 28 north, range 6 east, sections 1, 2, 3, 12, 13, 14, 22 to 27, inclusive, 32, 33, 34, 35, and 36;  
Township 28 north, range 7 east, sections 2 to 8, inclusive, 11 to 14, inclusive, 18, 19, 23 to 26, inclusive, 29 to 33, inclusive, and 36;  
All township 28 north, range 8 east;  
All township 28 north, range 9 east;  
Township 28 north, range 10 east, sections 5 to 8, inclusive, 16 to 20, inclusive, 30, and 31;  
Township 29 north, range 6 east, sections 23 to 26, inclusive, 35, and 36;  
Township 29 north, range 7 east, sections 13, 16, 19, 20, 21, 24, 25, and 28 to 36, inclusive;  
Township 29 north, range 8 east, sections 14 to 36, inclusive;  
Township 29 north, range 9 east, sections 1, 9 to 16, inclusive, and 21 to 36, inclusive;  
All of Mount Diablo base and meridian, California.  
Approved, June 22, 1938.

#### [CHAPTER 565]

#### AN ACT

To authorize the addition of certain lands to the Shasta and Klamath National Forests, California.

June 22, 1938  
[H. R. 7689]  
[Public, No. 893]

Shasta and Klamath  
National Forests,  
Calif.  
Addition of certain  
lands authorized.

42 Stat. 465; 43 Stat.  
1090.  
16 U. S. C. §§ 485,  
486.

Inclusion of areas in  
Government owner-  
ship.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That within the following-described areas any lands not in Government ownership, which are found by the Secretary of Agriculture to be chiefly valuable for national-forest purposes, may be offered in exchange under the provisions of the Act of March 20, 1922 (Public, Numbered 173; 42 Stat. L. 465), as amended by the Act of February 28, 1925 (Public, Numbered 513), upon notice as therein provided and upon acceptance of title, shall become parts of the said national forests; and any of such described areas in Government ownership, found by the Secretaries of Agriculture and the Interior to be chiefly valuable for

national-forest purposes and not now parts of any national forest, may be added to said national forest as herein provided by proclamation of the President, subject to all valid claims and provisions of existing withdrawals: *Provided*, That any lands received in exchange or purchased under the provisions of this Act shall be open to mineral locations, mineral development, and patent, in accordance with the mining laws of the United States.

*Proviso.*  
Mineral locations,  
etc.

To the Shasta National Forest, California:

Shasta National  
Forest.

Township 40 north, range 4 west, sections 7, 8, 9, 16, 17, 18, 20, and 21;

Township 40 north, range 7 west, sections 6 and 7;

Township 40 north, range 8 west, sections 1, 2, 3, 5 to 11, inclusive, 15 to 18, inclusive, 21, and 22;

Township 40 north, range 9 west, sections 1, 12, and 13;

Township 41 north, range 5 west, sections 4 and 5;

All township 41 north, range 9 west;

Township 41 north, range 10 west, sections 25 and 36;

Township 43 north, range 3 west, sections 3 to 11, inclusive, and 17 to 19, inclusive;

Township 43 north, range 4 west, sections 1 to 13, inclusive, 15 to 19, inclusive, 21, 22, 23, 25, and 27 to 33, inclusive;

Township 44 north, range 3 west, sections 1 to 5, inclusive, 7 to 17, inclusive, 19 to 29, inclusive, and 31 to 36, inclusive;

Township 44 north, range 4 west, sections 1, 2, 3, 10 to 15, inclusive, 22 to 27, inclusive, 34, 35, and 36;

Township 45 north, range 1 east, sections 1 to 6, inclusive, and 8 to 18, inclusive;

Township 45 north, range 2 east, sections 1 to 13, inclusive, 17 and 18;

Township 45 north, range 1 west, sections 1 to 18, inclusive;

All township 45 north, range 2 west;

Township 45 north, range 3 west, sections 1, 3 to 18, inclusive, 21 to 27, inclusive, 31, 33, 34, 35, and 36;

Township 45 north, range 4 west, sections 1, 3, 10 to 13, inclusive, 15, 22, 23, 25, 27, 34, 35, and 36;

All township 46 north, range 2 west;

Township 46 north, range 3 west, sections 1, 2, 13, 24, 25, 29, 32, 33, 35, and 36;

Township 46 north, range 4 west, sections 1 to 11, inclusive, 14 to 23, inclusive, and 25 to 36, inclusive;

All township 47 north, range 2 west;

Township 47 north, range 3 west, sections 1, 2, 3, 9 to 17, inclusive, 21 to 27, inclusive, 29, 34, 35, and 36;

All township 47 north, range 4 west;

Township 48 north, range 2 west, sections 13 to 21, inclusive, and 23 to 36, inclusive;

Township 48 north, range 3 west, sections 13 to 17, inclusive, 20 to 29, inclusive, and 32 to 36, inclusive;

All township 48 north, range 4 west;

All Mount Diablo base and meridian, California.

To the Klamath National Forest, California:

Klamath National  
Forest.

Township 41 north, range 10 west, section 1;

Township 42 north, range 9 west, sections 5 to 8, inclusive, 17 to 20, inclusive, and 29 to 32, inclusive;

Township 42 north, range 10 west, sections 1 to 5, inclusive, 7 to 19, inclusive, 21 to 25, inclusive, and 36;

Township 43 north, range 9 west, sections 4 to 9, inclusive, 16 to 20, inclusive, and 29 to 32, inclusive;

All township 43 north, range 10 west;  
 Township 44 north, range 7 west, section 6;  
 Township 44 north, range 8 west, sections 1, 2, 3, 4, 5, 7 to 36, inclusive;  
 Township 44 north, range 9 west, sections 1, 3 to 9, inclusive, and 11 to 36, inclusive;  
 Township 44 north, range 10 west, sections 1 to 5, inclusive, and 7 to 36, inclusive;  
 Township 45 north, range 7 west, sections 20, 29, and 30;  
 Township 45 north, range 8 west, sections 25, 26, 34, 35, and 36;  
 Township 47 north, range 7 west, sections 2 to 29, inclusive, 35, and 36;  
 Township 47 north, range 8 west, section 1;  
 Township 48 north, range 7 west, sections 16 to 21, inclusive, and 27 to 34, inclusive;  
 Township 48 north, range 8 west, sections 13, 14, 15, 22, 23, 24, 25, 27, 35, and 36;  
 All Mount Diablo base and meridian, California.  
 Approved, June 22, 1938.

## [CHAPTER 566]

## AN ACT

To authorize the addition of certain lands to the Plumas, Tahoe, and Lassen National Forests, California.

June 22, 1938  
 [H. R. 7690]  
 [Public, No. 694]

National forests,  
 California.  
 Additions to designat-  
 ed, for forest pur-  
 poses, authorized.

42 Stat. 465; 43 Stat.  
 1090.  
 16 U. S. C. §§ 485,  
 486.

Inclusion of areas in  
 Government owner-  
 ship.

*Proviso.*  
 Mineral locations,  
 etc.

Plumas National  
 Forest.

Tahoe National  
 Forest.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That within the following-described areas any lands not in Government ownership, which are found by the Secretary of Agriculture to be chiefly valuable for national-forest purposes, may be offered in exchange under the provisions of the Act of March 20, 1922 (Public, Numbered 173; 42 Stat. L. 465), as amended by the Act of February 28, 1925 (Public, Numbered 513), upon notice as therein provided and upon acceptance of title, shall become parts of the said national forests; and any of such described areas in Government ownership, found by the Secretaries of Agriculture and the Interior to be chiefly valuable for national-forest purposes and not now parts of any national forest, may be added to said national forests as herein provided by proclamation of the President, subject to all valid claims and provisions of existing withdrawals: *Provided,* That any lands received in exchange or purchased under the provisions of this Act shall be open to mineral locations, mineral development, and patent, in accordance with the mining laws of the United States.

To the Plumas National Forest, California:

Township 19 north, range 6 east, sections 1, 12, and 13;  
 Township 19 north, range 7 east, sections 2 to 11, inclusive, 14 to 23, inclusive, and 26 to 35, inclusive;  
 Township 21 north, range 14 east, section 4;  
 Township 22 north, range 14 east, sections 10, 15, 16, 21, 22, 27, 28, 33, and 34;  
 Township 24 north, range 9 east, sections 12, 13, 14, and 15;  
 Township 24 north, range 10 east, sections 7, 16, 17, 18, 20, and 21;  
 All Mount Diablo, base and meridian, California.

To the Tahoe National Forest, California, township 17 north, range 9 east, sections 14, 23, 26, southeast southwest sections 34, and 35;

Township 19 north, range 18 east—that part of the following sections situated in the State of California, to wit:

Sections 6, 7, 18, 19, 30, and 31;

Township 20 north, range 18 east—that part of the following sections situated in the State of California, to wit: sections 6, 7, 18, 19, 30, and 31;

Township 21 north, range 14 east, sections 9, 16, and 21;

Township 21 north, range 17 east, sections 17, 19, 20, 28, 29, 33, 34, 35, and 36;

Township 22 north, range 16 east, sections 23 and 24;

To the Lassen National Forest, California:

Lassen National  
Forest.

Township 25 north, range 1 east, sections 1 to 18, inclusive;

Township 25 north, range 2 east, sections 11, 12, 13, 14, 23, 24, 25, 26, 35, and 36;

Township 25 north, range 3 east, sections 1, 3, 7, 8, 9, and 11 to 36, inclusive;

Township 25 north, range 4 east, sections 4 to 9, inclusive, 16 to 21, inclusive, and 28 to 33, inclusive;

All township 26 north, range 1 east;

Township 26 north, range 3 east, sections 1, 2, 3, 10 to 16, inclusive, 22 to 28, inclusive, 33, 34, 35, and 36.

Township 26 north, range 4 east, sections 5, 6, 7, 8, 15 to 22, inclusive, and 27 to 33, inclusive;

Township 27 north, range 1 west, sections 1, 2, 3, 10 to 15, inclusive, 22 to 27, inclusive, 34, 35, and 36;

Township 27 north, range 1 east, sections 35 and 36;

Township 27 north, range 2 east, section 36;

Township 27 north, range 3 east, sections 11 to 17, inclusive, 19, 20, 21, 23 to 27, inclusive, and 29 to 36, inclusive;

Township 27 north, range 4 east, section 31;

Township 28 north, range 1 west, sections 1, 12, 13, 24, 25, and 36;

Township 28 north, range 1 east, section 1;

Township 28 north, range 2 east, sections 1 to 18, inclusive, 23, 24, 25, 26, 35, and 36;

Township 28 north, range 3 east, sections 6, 7, 16, 18, 19, 20, 21, 22, and 27 to 33, inclusive;

Township 29 north, range 1 west, section 36;

Township 29 north, range 1 east, sections 23 to 26, inclusive, and 31 to 36, inclusive;

Township 29 north, range 2 east, sections 19 to 36, inclusive;

Township 29 north, range 3 east, sections 19, 20, 21, and 28 to 32, inclusive;

All Mount Diablo base and meridian, California.

Approved, June 22, 1938.

#### [CHAPTER 567]

#### AN ACT

To provide for the retirement, rank, and pay of Chiefs of Naval Operations, Chiefs of Bureau of the Navy Department, the Judge Advocates General of the Navy, and the Major Generals Commandant of the Marine Corps.

June 22, 1938  
[H. R. 9801]  
[Public, No. 695]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That any officer of the Navy or Marine Corps who may be retired while serving as Chief of Naval Operations, as Chief of a Bureau of the Navy Department, as Judge Advocate General of the Navy, or as Major General Commandant of the Marine Corps, or who has served or shall have served two and one-half years or more as Chief of Naval Operations, as Chief of a Bureau of the Navy Department, as Judge Advocate

Navy and Marine  
Corps.  
Retirement, rank,  
and pay of designated  
officers.

*Provisos.*  
Extension of privileges to such officers heretofore retired.

No increase in prior retired pay.

General of the Navy, or as Major General Commandant of the Marine Corps, and is retired after completion of such service while serving in a lower rank or grade, may, in the discretion of the President, be retired with the rank, pay, and allowances authorized by law for the highest grade or rank held by him as such Chief of Naval Operations, Chief of Bureau, Judge Advocate General, or Major General Commandant: *Provided*, That the President in his discretion may extend the privileges herein authorized to such officers as have heretofore been retired and who satisfy the foregoing conditions: *Provided further*, That no increase provided herein in retired pay shall be held to have accrued prior to the passage of this Act.

Approved, June 22, 1938.

#### [CHAPTER 575]

#### AN ACT

June 22, 1938  
[H. R. 8046]  
[Public, No. 696]

To amend an Act entitled "An Act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, and Acts amendatory thereof and supplementary thereto; and to repeal section 76 thereof and all Acts and parts of Acts inconsistent therewith.

Bankruptcy Act of 1898, amendments.  
30 Stat. 544; 32 Stat. 800; 36 Stat. 842; 47 Stat. 1467; 48 Stat. 911.  
11 U. S. C.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That sections 1 to 11, inclusive; 14; 15; 17 to 29, inclusive; 31; 32; 34; 35; 37 to 42, inclusive; 44 to 53, inclusive; and 55 to 72, inclusive, of an Act entitled "An Act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, as amended, are hereby amended; and sections 12, 13, 73, 74, 77A, and 77B are hereby amended and incorporated as chapters X, XI, XII, XIII, and XIV; said amended sections to read as follows:

#### Chapter I—Definitions.

Meaning of words and phrases.

"A person against whom a petition has been filed."

"Adjudication."

"Appellate courts."

"Bankrupt."

"Bona-fide purchaser."

"Clerk."

"Conceal."

"Corporation."

#### "CHAPTER I—DEFINITIONS

"SECTION 1. MEANING OF WORDS AND PHRASES.—The words and phrases used in this Act and in proceedings pursuant hereto shall, unless the same be inconsistent with the context, be construed as follows:

"(1) 'A person against whom a petition has been filed' shall include a person who has filed a voluntary petition;

"(2) 'Adjudication' shall mean a decree that a person is a bankrupt;

"(3) 'Appellate courts' shall include the circuit courts of appeals of the United States, the United States Court of Appeals of the District of Columbia, and the Supreme Court of the United States;

"(4) 'Bankrupt' shall include a person against whom an involuntary petition or an application to revoke a discharge has been filed, or who has filed a voluntary petition, or who has been adjudged a bankrupt;

"(5) 'Bona-fide purchaser' shall include a bona-fide encumbrancer or pledgee and the transferee, immediate or mediate, of any of them;

"(6) 'Clerk' shall mean the clerk of a court of bankruptcy;

"(7) 'Conceal' shall include secrete, falsify, and mutilate;

"(8) 'Corporation' shall include all bodies having any of the powers and privileges of private corporations not possessed by individuals or partnerships and shall include partnership associations organized under laws making the capital subscribed alone responsible for the debts of the association, joint-stock companies, unincorporated companies and associations, and any business conducted by a trustee or trustees wherein beneficial interest or ownership is evidenced by certificate or other written instrument;

"(9) 'Court' shall mean the judge or the referee of the court of bankruptcy in which the proceedings are pending;

"Court."

"(10) 'Courts of bankruptcy' shall include the district courts of the United States and of the Territories and possessions to which this Act is or may hereafter be applicable, and the District Court of the United States for the District of Columbia;

"Courts of bankruptcy."

"(11) 'Creditor' shall include anyone who owns a debt, demand, or claim provable in bankruptcy, and may include his duly authorized agent, attorney, or proxy;

"Creditor."

"(12) 'Date of adjudication' shall mean the date of entry of the decree of adjudication, or, if such decree is appealed from, then the date when such decree is finally confirmed or the appeal is dismissed;

"Date of adjudication."

"(13) 'Date of bankruptcy', 'time of bankruptcy', 'commencement of proceedings', or 'bankruptcy' with reference to time, shall mean the date when the petition was filed;

"Date of bankruptcy," "time of bankruptcy," "commencement of proceedings," or "bankruptcy" with reference to time.

"(14) 'Debt' shall include any debt, demand, or claim provable in bankruptcy;

"Debt."

"(15) 'Discharge' shall mean the release of a bankrupt from all of his debts which are provable in bankruptcy, except such as are excepted by this Act;

"Discharge."

"(16) 'Document' shall include any book, deed, record, paper, or instrument in writing;

"Document."

"(17) 'Farmer' shall mean an individual personally engaged in farming or tillage of the soil, and shall include an individual personally engaged in dairy farming or in the production of poultry, livestock, or poultry or livestock products in their unmanufactured state, if the principal part of his income is derived from any one or more of such operations;

"Farmer."

"(18) 'Holiday' shall include New Year's Day, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Armistice Day, Christmas Day, and any day appointed as a holiday or as a day of public fasting or thanksgiving by the President or the Congress of the United States, or by the Governor or the Legislature of the State in which the proceeding under this Act is filed or pending;

"Holiday."

"(19) A person shall be deemed insolvent within the provisions of this Act whenever the aggregate of his property, exclusive of any property which he may have conveyed, transferred, concealed, removed, or permitted to be concealed or removed, with intent to defraud, hinder, or delay his creditors, shall not at a fair valuation be sufficient in amount to pay his debts;

Insolvency.

"(20) 'Judge' shall mean a judge of a court of bankruptcy, not including the referee;

"Judge."

"(21) 'Oath' shall include affirmation;

"Oath."

"(22) 'Officer' shall include clerk, marshal, receiver, custodian, referee, and trustee, and the imposing of a duty upon, or the forbidding of an act by, any officer shall include his successor and any person authorized by law to perform the duties of such officer;

"Officer."

"(23) 'Persons' shall include corporations, except where otherwise specified, and officers, partnerships, and women, and when used with reference to the commission of acts which are forbidden under this Act shall include persons who are participants in the forbidden acts, and the agents, officers, and members of the board of directors or trustees or of other similar controlling bodies of corporations;

"Persons."

"(24) 'Petition' shall mean a document filed in a court of bankruptcy or with a clerk thereof by a debtor praying for the benefits of this Act, or by creditors alleging the commission of an act of bankruptcy by a debtor therein named;

"Petition."



"To record."	"(25) 'To record' shall include to register or to file for record or registration;
"Referee."	"(26) 'Referee' shall mean the referee who has jurisdiction of the case or to whom the case has been referred or anyone acting in his stead;
"Relatives."	"(27) 'Relatives' shall mean persons related by affinity or consanguinity within the third degree as determined by the common law and shall include the spouse;
"Secured creditor."	"(28) 'Secured creditor' shall include a creditor who has security for his debt upon the property of the bankrupt of a nature to be assignable under this Act or who owns such a debt for which some endorser, surety, or other person secondarily liable for the bankrupt has such security upon the bankrupt's assets;
"States."	"(29) 'States' shall include the Territories and possessions to which this Act is or may hereafter be applicable, Alaska, and the District of Columbia;
"Transfer."	"(30) 'Transfer' shall include the sale and every other and different mode, direct or indirect, of disposing of or of parting with property or with an interest therein or with the possession thereof or of fixing a lien upon property or upon an interest therein, absolutely or conditionally, voluntarily or involuntarily, by or without judicial proceedings, as a conveyance, sale, assignment, payment, pledge, mortgage, lien, encumbrance, gift, security, or otherwise;
"Trustee", "receiver."	"(31) 'Trustee' shall include all of the trustees and 'receiver' shall include all of the receivers of an estate;
"Wage earner."	"(32) 'Wage earner' shall mean an individual who works for wages, salary, or hire, at a rate of compensation not exceeding \$1,500 per year;
Gender.	"(33) Words importing the masculine gender may be applied to and include all persons;
Plural number.	"(34) Words importing the plural number may be applied to and mean only a single person or thing; and
Singular number.	"(35) Words importing the singular number may be applied to and mean several persons or things.

Chapter II—Courts  
of Bankruptcy.

Creation of courts  
of bankruptcy and  
their jurisdiction.

Powers.

Adjudication of  
bankrupts.

Allowance, etc., of  
claims.

Appointment of re-  
ceivers or marshals.

## "CHAPTER II—COURTS OF BANKRUPTCY

"SEC. 2. CREATION OF COURTS OF BANKRUPTCY AND THEIR JURISDICTION.—a. The courts of the United States hereinbefore defined as courts of bankruptcy are hereby created courts of bankruptcy and are hereby invested, within their respective territorial limits as now established or as they may be hereafter changed, with such jurisdiction at law and in equity as will enable them to exercise original jurisdiction in proceedings under this Act, in vacation, in chambers, and during their respective terms, as they are now or may be hereafter held, to—

"(1) Adjudge persons bankrupt who have had their principal place of business, resided or had their domicile within their respective territorial jurisdictions for the preceding six months, or for a longer portion of the preceding six months than in any other jurisdiction, or who do not have their principal place of business, reside, or have their domicile within the United States, but have property within their jurisdictions, or who have been adjudged bankrupts by courts of competent jurisdiction without the United States, and have property within their jurisdictions;

"(2) Allow claims, disallow claims, reconsider allowed or disallowed claims, and allow or disallow them against bankrupt estates;

"(3) Appoint, upon the application of parties in interest, receivers or the marshals to take charge of the property of bankrupts and to

protect the interests of creditors after the filing of the petition and until it is dismissed or the trustee is qualified; and to authorize such receiver, upon his application, to prosecute or defend any pending suit or proceeding by or against a bankrupt or to commence and prosecute any suit or proceeding in behalf of the estate, before any judicial, legislative, or administrative tribunal in any jurisdiction, until the petition is dismissed or the trustee is qualified: *Provided, however,* That the court shall be satisfied that such appointment or authorization is necessary to preserve the estate or to prevent loss thereto;

"(4) Arraign, try, and punish persons for violations of this Act, in accordance with the laws of procedure of the United States now in force, or such as may be hereafter enacted, regulating trials for the alleged violation of laws of the United States;

"(5) Authorize the business of bankrupts to be conducted for limited periods by receivers, the marshals, or trustees, if necessary in the best interests of the estates, and allow such officers additional compensation for such services, as provided in section 48 of this Act;

"(6) Bring in and substitute additional persons or parties in proceedings under this Act when necessary for the complete determination of a matter in controversy;

"(7) Cause the estates of bankrupts to be collected, reduced to money and distributed, and determine controversies in relation thereto, except as herein otherwise provided, and determine and liquidate all inchoate or vested interests of the bankrupt's spouse in the property of any estate, whenever under the applicable laws of the State, creditors are empowered to compel such spouse to accept a money satisfaction for such interest;

"(8) Close estates, by approving the final accounts and discharging the trustees, whenever it appears that the estates have been fully administered or, if not fully administered, that the parties in interest will not furnish the indemnity necessary for the expenses of the proceeding or take the steps necessary for the administration of the estate; and reopen estates for cause shown;

"(9) Confirm or reject arrangements or plans proposed under this Act, set aside confirmations of arrangements or wage-earner plans and reinstate the proceedings and cases;

"(10) Consider records, findings, and orders certified to the judges by referees, and confirm, modify, or reverse such findings and orders, or return such records with instructions for further proceedings;

"(11) Determine all claims of bankrupts to their exemptions;

"(12) Discharge or refuse to discharge bankrupts and set aside discharges and reinstate the cases;

"(13) Enforce obedience by persons to all lawful orders, by fine or imprisonment or fine and imprisonment;

"(14) Extradite bankrupts from their respective districts to other districts;

"(15) Make such orders, issue such process, and enter such judgments, in addition to those specifically provided for, as may be necessary for the enforcement of the provisions of this Act: *Provided, however,* That an injunction to restrain a court may be issued by the judge only;

"(16) Punish persons for contempts committed before referees;

"(17) Approve the appointment of trustees by creditors or appoint trustees when creditors fail so to do; and, upon complaints of creditors or upon their own motion, remove for cause receivers or trustees upon hearing after notice;

*Proviso.*  
Condition.

Violations.

Conduct of business  
of bankrupts.

*Post*, p. 861.

Addition, etc., of  
parties in proceedings.

Collection, etc., of  
estates of bankrupts.

Closing of estates.

Confirmation or re-  
jection of plans, etc.

Consideration, etc.,  
of findings and orders  
of referees.

Determination of  
claims for exemp-  
tions.

Discharges.

Enforcement of or-  
ders.

Extradition.

Orders, processes,  
judgments, etc.

*Proviso.*  
Injunction to re-  
strain a court by  
judge only.

Contempts before  
referees.  
Trustees, approval  
of appointments, etc.

Costs.

"(18) Tax costs and render judgments therefor against the unsuccessful party, against the successful party for cause, in part against each of the parties, and against estates, in proceedings under this Act;

Transfer of cases.

"(19) Transfer cases to other courts of bankruptcy;

Ancillary jurisdiction over persons or property.

"(20) Exercise ancillary jurisdiction over persons or property within their respective territorial limits in aid of a receiver or trustee appointed in any bankruptcy proceedings pending in any other court of bankruptcy: *Provided, however,* That the jurisdiction of the ancillary court over a bankrupt's property which it takes into its custody shall not extend beyond preserving such property and, where necessary, conducting the business of the bankrupt, and reducing the property to money, paying therefrom such liens as the court shall find valid and the expenses of ancillary administration, and transmitting the property or its proceeds to the court of primary jurisdiction; and

*Proviso.*  
Limitation.

Delivery and accounting requirements.

"(21) Require receivers or trustees appointed in proceedings not under this Act, assignees for the benefit of creditors, and agents authorized to take possession of or to liquidate a person's property to deliver the property in their possession or under their control to the receiver or trustee appointed under this Act or, where an arrangement or a plan under this Act has been confirmed and such property has not prior thereto been delivered to a receiver or trustee appointed under this Act, to deliver such property to the debtor or other person entitled to such property according to the provisions of the arrangement or plan, and in all such cases to account to the court for the disposition by them of the property of such bankrupt or debtor: *Provided, however,* That such delivery and accounting shall not be required, except in proceedings under chapters X and XII of this Act, if the receiver or trustee was appointed, the assignment was made, or the agent was authorized more than four months prior to the date of bankruptcy. Upon such accounting, the court shall reexamine and determine the propriety and reasonableness of all disbursements made out of such property by such receiver, trustee, assignee, or agent, either to himself or to others, for services and expenses under such receivership, trusteeship, assignment, or agency, and shall, unless such disbursements have been approved, upon notice to creditors and other parties in interest, by a court of competent jurisdiction prior to the proceeding under this Act, surcharge such receiver, trustee, assignee, or agent the amount of any disbursement determined by the court to have been improper or excessive.

Powers other than those specifically enumerated.

"b. Nothing in this section contained shall be construed to deprive a court of bankruptcy of any power it would possess were certain specific powers not herein enumerated.

Chapter III—Bankrupts.

### CHAPTER III—BANKRUPTS

Acts of bankruptcy.

"SEC. 3. ACTS OF BANKRUPTCY.—a. Acts of bankruptcy by a person shall consist of his having (1) conveyed, transferred, concealed, removed, or permitted to be concealed or removed any part of his property, with intent to hinder, delay, or defraud his creditors or any of them; or (2) transferred, while insolvent, any portion of his property to one or more of his creditors with intent to prefer such creditors over his other creditors; or (3) suffered or permitted, while insolvent, any creditor to obtain a lien upon any of his property through legal proceedings and not having vacated or discharged such lien within thirty days from the date thereof or at least five days before the date set for any sale or other disposition of such property; or (4) made a general assignment for the benefit of his creditors; or (5) while insolvent or unable to pay his debts as they

mature, procured, permitted, or suffered voluntarily or involuntarily the appointment of a receiver or trustee to take charge of his property; or (6) admitted in writing his inability to pay his debts and his willingness to be adjudged a bankrupt.

"b. A petition may be filed against a person within four months after the commission of an act of bankruptcy. Such time with respect to the first, second, or fourth act of bankruptcy shall not expire until four months after the date when the transfer or assignment became so far perfected that no bona-fide purchaser from the debtor and no creditor could thereafter have acquired any rights in the property so transferred or assigned superior to the rights of the transferee or assignee therein. For the purposes of this section, it is sufficient if intent under the first act of bankruptcy or if intent or insolvency under the second act of bankruptcy exists either at the time when the transfer was made or at the time when it became perfected, as hereinabove provided.

Petition against person committing act of bankruptcy.

"c. It shall be a complete defense to any proceedings under the first act of bankruptcy to allege and prove that the party proceeded against was not insolvent as defined in this Act at the time of the filing of the petition against him. If solvency at such date is proved by the alleged bankrupt, the proceedings shall be dismissed. In such proceedings the burden of proving solvency shall be on the alleged bankrupt.

Proof of solvency.

"d. Whenever a person against whom a petition has been filed alleging the commission of the second, third, or fifth act of bankruptcy takes issue with and denies the allegation of his insolvency or his inability to pay his debts as they mature, he shall appear in court on the hearing, and prior thereto if ordered by the court, with his books, papers, and accounts, and submit to an examination and give testimony as to all matters tending to establish solvency or insolvency or ability or inability to pay his debts as they mature and, in case of his failure so to do, the burden of proving solvency or ability to pay his debts as they mature shall rest upon him.

Denial of allegation of insolvency; hearing.

"SEC. 4. WHO MAY BECOME BANKRUPTS.—a. Any person, except a municipal, railroad, insurance, or banking corporation or a building and loan association, shall be entitled to the benefits of this Act as a voluntary bankrupt.

Who may become bankrupts.  
Voluntary bankruptcy.

"b. Any natural person, except a wage earner or farmer, and any moneyed, business, or commercial corporation, except a building and loan association, a municipal, railroad, insurance, or banking corporation, owing debts to the amount of \$1,000 or over, may be adjudged an involuntary bankrupt upon default or an impartial trial and shall be subject to the provisions and entitled to the benefits of this Act. The bankruptcy of a corporation shall not release its officers, the members of its board of directors or trustees or of other similar controlling bodies, or its stockholders or members, as such, from any liability under the laws of a State or of the United States. The status of an alleged bankrupt as a wage earner or farmer shall be determined as of the time of the commission of the act of bankruptcy.

Involuntary bankruptcy.

Determination of status as wage earner or farmer.

"SEC. 5. PARTNERS.—a. A partnership, including a limited partnership containing one or more general partners, during the continuation of the partnership business or after its dissolution and before the final settlement thereof, may be adjudged a bankrupt either separately or jointly with one or more or all of its general partners.

Partners.

"b. A petition may be filed by one or more or all of the general partners in the separate behalf of a partnership or jointly in behalf of a partnership and of the general partner or partners filing the

Petition, by whom filed.

*Proviso.*  
Petition filed by less  
than all general part-  
ners.

Trustee, appoint-  
ment.

*Proviso.*  
Separate trustee for  
estate of a general part-  
ner.

Jurisdiction.

Accounts.

Expenses.

Partnership proper-  
ty and individual es-  
tates, disposition of  
net proceeds.

Claim of partner-  
ship estates against in-  
dividual estates, etc.

Partnership bank-  
rupt where all general  
partners so adjudged.

Debts not affected  
by discharge of part-  
nership.

Limited partner-  
ships.

same: *Provided, however,* That where a petition is filed in behalf of a partnership by less than all of the general partners, the petition shall allege that the partnership is insolvent. A petition may be filed separately against a partnership or jointly against a partnership and one or more or all of its general partners.

"c. The creditors of the bankrupt partnership shall appoint the trustee, who shall be the trustee of the individual estate of a general partner being administered in the proceeding: *Provided, however,* That the creditors of a general partner adjudged a bankrupt may, upon cause shown, be permitted to appoint their separate trustee for his estate. In other respects, so far as possible, the partnership estate shall be administered as herein provided for other estates.

"d. The court of bankruptcy which has jurisdiction of one of the general partners may have jurisdiction of all the general partners and of the administration of the partnership and individual property.

"e. The trustee or trustees shall keep separate accounts of the partnership property and of the property belonging to the individual general partners.

"f. The expenses shall be paid from the partnership property and the individual property in such proportions as the court shall determine.

"g. The net proceeds of the partnership property shall be appropriated to the payment of the partnership debts and the net proceeds of the individual estate of each general partner to the payment of his individual debts. Should any surplus remain of the property of any general partner after paying his individual debts, such surplus shall be added to the partnership assets and be applied to the payment of the partnership debts. Should any surplus of the partnership property remain after paying the partnership debts, such surplus shall be distributed among the individual partners, general or limited, or added to the estates of the general partners, as the case may be, in the proportion of their respective interests in the partnership and in the order of distribution provided by the laws of the State applicable thereto.

"h. The court may permit the proof of the claim of the partnership estate against the individual estates, and vice versa, and may marshal the assets of the partnership estate and individual estates so as to prevent preferences and secure the equitable distribution of the property of the several estates.

"i. Where all the general partners are adjudged bankrupt, the partnership shall also be adjudged bankrupt. In the event of one or more but not all of the general partners of a partnership being adjudged bankrupt, the partnership property shall not be administered in bankruptcy, unless by consent of the general partner or partners not adjudged bankrupt; but such general partner or partners not adjudged bankrupt shall settle the partnership business as expeditiously as its nature will permit and account for the interest of the general partner or partners adjudged bankrupt.

"j. The discharge of a partnership shall not discharge the individual general partners thereof from the partnership debts. A general partner adjudged a bankrupt either in a joint or separate proceeding may, pursuant to the provisions of this Act, obtain a discharge from both his partnership and individual debts.

"k. If a limited partnership is adjudged bankrupt, any limited partner who is individually liable under the laws of the United States or of any State for any of the partnership debts shall be deemed a general partner as to such debts and, if he is insolvent,

shall be subject to the provisions and entitled to the benefits of this Act, as in the case of a general partner.

"SEC. 6. EXEMPTIONS OF BANKRUPTS.—This Act shall not affect the allowance to bankrupts of the exemptions which are prescribed by the laws of the United States or by the State laws in force at the time of the filing of the petition in the State wherein they have had their domicile for the six months immediately preceding the filing of the petition, or for a longer portion of such six months than in any other State: *Provided, however*, That no such allowance shall be made out of the property which a bankrupt transferred or concealed and which is recovered or the transfer of which is avoided under this Act for the benefit of the estate, except that, where the voided transfer was made by way of security only and the property recovered is in excess of the amount secured thereby, such allowance may be made out of such excess.

Exemptions of bankrupts.

*Proviso.*  
Disallowances.

"SEC. 7. DUTIES OF BANKRUPTS.—a. The bankrupt shall (1) attend at the first meeting of his creditors, at the hearing upon objections, if any, to his application for a discharge and at such other times as the court shall order; (2) comply with all lawful orders of the court; (3) examine and report to his trustee concerning the correctness of all proofs of claim filed against his estate; (4) execute and deliver such papers as shall be ordered by the court; (5) execute and deliver to his trustee transfers of all his property in foreign countries; (6) immediately inform his trustee of any attempt by his creditors or other persons to evade the provisions of this Act coming to his knowledge; (7) in case of any person having to his knowledge proved a false claim against his estate, disclose that fact immediately to his trustee; (8) prepare, make oath to, and file in court within five days after adjudication, if an involuntary bankrupt, and with his petition, if a voluntary bankrupt, a schedule of his property, showing the amount and kind of property, the location thereof and its money value, in detail; and a list of all his creditors, including all persons asserting contingent, unliquidated, or disputed claims, showing their residence, if known, or if unknown that fact to be stated, the amount due to or claimed by each of them, the consideration thereof, the security held by them, if any, and what claims, if any, are contingent, unliquidated, or disputed; and a claim for such exemptions as he may be entitled to; all in triplicate, one copy for the clerk, one for the referee, and one for the trustee: *Provided*, That the court may for cause shown grant further time for the filing of such schedules if, with his petition in a voluntary proceeding or with his application to have such time extended in an involuntary proceeding, the bankrupt files a list of all such creditors and their addresses; (9) file in triplicate with the court at least five days prior to the first meeting of his creditors a statement of his affairs in such form as may be prescribed by the Supreme Court; (10) at the first meeting of his creditors, at the hearing upon objections, if any, to his discharge and at such other times as the court shall order, submit to an examination concerning the conducting of his business, the cause of his bankruptcy, his dealings with his creditors and other persons, the amount, kind, and whereabouts of his property, and, in addition, all matters which may affect the administration and settlement of his estate or the granting of his discharge; but no testimony given by him shall be offered in evidence against him in any criminal proceeding, except such testimony as may be given by him in the hearing upon objections to his discharge: *Provided, however*, That when the bankrupt is required to attend for examination, except at the first meeting and at the hearing upon objections, if any, to his discharge,

Duties of bankrupts.

*Provisos.*  
Time extension for filing schedules.

Expenses of attendance for examination.

Examinations,  
where held.

he shall be paid actual and necessary traveling expenses for any distance in excess of one hundred miles from his place of residence at the date of bankruptcy: *And provided further*, That the court may for cause shown, and upon such terms and conditions as the court may impose, permit the bankrupt to be examined at such place as the court may direct whether within or without the district in which the proceedings are pending; and (11) when required by the court, prepare, verify, and file with the court in duplicate a detailed inventory, showing the cost to him of his merchandise or of such other property as may be designated, as of the date of his bankruptcy.

Where bankrupt is  
a corporation.

"b. Where the bankrupt is a corporation, its officers, the members of its board of directors or trustees or of other similar controlling bodies, its stockholders or members, or such of them as may be designated by the court, shall perform the duties imposed upon the bankrupt by this Act.

Death or insanity of  
bankrupts.

"SEC. 8. DEATH OR INSANITY OF BANKRUPTS.—The death or insanity of a bankrupt shall not abate the proceedings, but the same shall be conducted and concluded in the same manner, so far as possible, as though he had not died or become insane: *Provided*, That in case of death, the bankrupt's right to exemption, if any, shall be preserved, and if the exempt property has not already been set off or awarded to him, it shall upon application be ordered set off and awarded to the spouse or dependent children surviving at his death to the exclusion of his personal representatives.

*Proviso.*  
Right to exemp-  
tion, deceased bank-  
rupt.

Protection of bank-  
rupts, exemption from  
arrest.  
Exceptions.

"SEC. 9. PROTECTION OF BANKRUPTS.—A bankrupt shall be exempt from arrest upon civil process except in the following cases: (1) When issued from a court of bankruptcy for contempt or disobedience of its lawful orders; (2) when issued from a State court having jurisdiction, and when served within such State, upon a debt or claim from which his discharge in bankruptcy would not be a release, and in such case he shall be exempt from such arrest when in attendance upon a court of bankruptcy or engaged in the performance of a duty imposed by this Act.

Apprehension and  
extradition.

"SEC. 10. APPREHENSION AND EXTRADITION OF BANKRUPTS.—a. The court may, during the pendency of a proceeding in bankruptcy, upon application of the receiver, trustee, or a creditor and upon satisfactory proof by affidavit that the examination of such bankrupt is necessary for the proper administration of the estate and that there is reasonable cause to believe that such bankrupt is about to leave the district in which he resides or has his principal place of business to avoid examination, or that he has evaded service of a subpoena or of an order to attend for examination, or that, having been served with a subpoena or order to attend for examination, he has willfully disobeyed the same, issue to the marshal a warrant directing him to bring such bankrupt forthwith before the court for examination. If, upon hearing the evidence of the parties, it shall appear to the court that the allegations are true and that it is necessary, the court shall fix bail conditioned for his appearance for examination, from time to time not exceeding in all ten days, as required by the court, and for his obedience to all lawful orders made in reference thereto.

"b. Whenever any warrant for the apprehension of a bankrupt shall have been issued under this Act, and he shall have been found within the jurisdiction of a court other than the one issuing the warrant, he may be extradited in the same manner as persons under indictment are now extradited from one district to another.

Where bankrupt is  
a corporation.

"c. Where the bankrupt is a corporation, 'bankrupt' for the purposes of this section shall include its officers and the members of its board of directors or trustees or of other similar controlling bodies.

"SEC. 11. SUITS BY AND AGAINST BANKRUPTS.—a. A suit which is founded upon a claim from which a discharge would be a release, and which is pending against a person at the time of the filing of a petition by or against him, shall be stayed until an adjudication or the dismissal of the petition; if such person is adjudged a bankrupt, such action may be further stayed until the question of his discharge is determined by the court after a hearing, or by the bankrupt's filing a waiver of, or having lost, his right to a discharge, or, in the case of a corporation, by its failure to file an application for a discharge within the time prescribed under this Act: *Provided*, That such stay shall be vacated by the court if, within six years prior to the date of the filing of the petition in bankruptcy, such person has been adjudicated a bankrupt, or has been granted a discharge, or has had a composition confirmed, or has had an arrangement by way of composition confirmed, or has had a wage earner's plan by way of composition confirmed.

Suits by or against bankrupts.  
Pending suits.

*Proriso.*  
If person has been adjudicated a bankrupt, etc., within 6 years.

"b. The court may order the receiver or trustee to enter his appearance and defend any pending suit against the bankrupt.

Defense by receiver or trustee.

"c. A receiver or trustee may, with the approval of the court, be permitted to prosecute as receiver or trustee any suit commenced by the bankrupt prior to the adjudication, with like force and effect as though it had been commenced by him.

Prosecution of suits commenced prior to adjudication.

"d. Suits shall not be brought against a person who has acted as a receiver or trustee of a bankrupt estate, upon any matter arising in connection with the administration thereof, subsequent to two years after the estate has been closed.

Time provisions.

"e. A receiver or trustee may, within two years subsequent to the date of adjudication or within such further period of time as the Federal or State law may permit, institute proceedings in behalf of the estate upon any claim against which the period of limitation fixed by Federal or State law had not expired at the time of the filing of the petition in bankruptcy. Where, by any agreement, a period of limitation is fixed for instituting a suit or proceeding upon any claim, or for presenting or filing any claim, proof of claim, proof of loss, demand, notice, or the like, or where in any proceeding, judicial or otherwise, a period of limitation is fixed, either in such proceeding or by applicable Federal or State law, for taking any action, filing any claim or pleading, or doing any act, and where in any such case such period had not expired at the date of the filing of the petition in bankruptcy, the receiver or trustee of the bankrupt may, for the benefit of the estate, take any such action or do any such act, required of or permitted to the bankrupt, within a period of sixty days subsequent to the date of adjudication or within such further period as may be permitted by the agreement, or in the proceeding or by applicable Federal or State law, as the case may be.

Institution of proceedings upon claims in behalf of estate; time limitation.

"f. The operation of any statute of limitations of the United States or of any State, affecting the debts of a bankrupt provable under this Act, shall be suspended during the period from the date of the filing of the petition in bankruptcy (1) until the expiration of thirty days after the date of the entry of an order denying his discharge; or (2) if he has waived or lost his right to a discharge, then until the expiration of thirty days after the filing of such waiver or loss of such right or, in the case of a corporation, if no application for a discharge is filed within the period of six months after the adjudication, then until the expiration of thirty days after the end of such period; or (3) until thirty days after the dismissal of the bankruptcy proceedings, whichever may first occur.

Suspension of operation of statute of limitations.



Discharges, when granted.

*Proviso.*  
Waiver of right to discharge.  
Applications by corporations.

Examination of bankrupt.

Time allowed for filing objections.

*Post*, p. 867.

Grounds for refusal.

*Proviso.*  
Burden of proof that acts not committed.

Intervention by U. S. attorney.

"SEC. 14. DISCHARGES, WHEN GRANTED.—a. The adjudication of any person, except a corporation, shall operate as an application for a discharge: *Provided*, That the bankrupt may, before the hearing on such application, waive by writing, filed with the court, his right to a discharge. A corporation may, within six months after its adjudication, file an application for a discharge in the court in which the proceedings are pending.

"b. After the bankrupt shall have been examined, either at the first meeting of creditors or at a meeting specially fixed for that purpose, concerning his acts, conduct, and property, the court shall make an order fixing a time for the filing of objections to the bankrupt's discharge, notice of which order shall be given to all parties in interest as provided in section 58 of this Act. Upon the expiration of the time fixed in such order or of any extension of such time granted by the court, the court shall discharge the bankrupt if no objection has been filed; otherwise, the court shall hear such proofs and pleas as may be made in opposition to the discharge, by the trustee, creditors, the United States attorney, or such other attorney as the Attorney General may designate, at such time as will give the bankrupt and the objecting parties a reasonable opportunity to be fully heard.

"c. The court shall grant the discharge unless satisfied that the bankrupt has (1) committed an offense punishable by imprisonment as provided under this Act; or (2) destroyed, mutilated, falsified, concealed, or failed to keep or preserve books of account or records, from which his financial condition and business transactions might be ascertained, unless the court deems such acts or failure to have been justified under all the circumstances of the case; or (3) obtained money or property on credit, or obtained an extension or renewal of credit, by making or publishing or causing to be made or published in any manner whatsoever, a materially false statement in writing respecting his financial condition; or (4) at any time subsequent to the first day of the twelve months immediately preceding the filing of the petition in bankruptcy, transferred, removed, destroyed, or concealed, or permitted to be removed, destroyed, or concealed, any of his property, with intent to hinder, delay, or defraud his creditors; or (5) has within six years prior to bankruptcy been granted a discharge, or had a composition or an arrangement by way of composition or a wage earner's plan by way of composition confirmed under this Act; or (6) in the course of a proceeding under this Act refused to obey any lawful order of, or to answer any material question approved by, the court; or (7) has failed to explain satisfactorily any losses of assets or deficiency of assets to meet his liabilities: *Provided*, That if, upon the hearing of an objection to a discharge, the objector shall show to the satisfaction of the court that there are reasonable grounds for believing that the bankrupt has committed any of the acts which, under this subdivision c, would prevent his discharge in bankruptcy, then the burden of proving that he has not committed any of such acts shall be upon the bankrupt.

"d. When requested by the court, the United States attorney, located in the judicial district in which the bankruptcy proceeding is pending, or such other attorney as the Attorney General may designate, shall examine into the acts and conduct of the bankrupt and, if satisfied that probable grounds exist for the denial of the discharge and that the public interest so warrants, he shall oppose the discharge of such bankrupt in like manner as provided in the case of a trustee.

"e. If the bankrupt fails to appear at the hearing upon his application for a discharge, or having appeared refuses to submit himself to examination, or if the court finds after hearing upon notice that the bankrupt has failed without sufficient excuse to appear and submit himself to examination at the first meeting of creditors or at any meeting specially called for his examination, he shall be deemed to have waived his right to a discharge, and the court shall enter an order to that effect.

Waiver of right to discharge by failing to appear and submit to examination.

"SEC. 15. DISCHARGES, WHEN REVOKED.—The court may, upon the application of parties in interest who have not been guilty of undue laches, filed at any time within one year after a discharge shall have been granted, revoke it if it shall be made to appear that it was obtained through the fraud of the bankrupt, that the knowledge of the fraud has come to the petitioners since the granting of the discharge and that the actual facts did not warrant the discharge.

Discharges, when revoked.

"SEC. 17. DEBTS NOT AFFECTED BY A DISCHARGE.—a. A discharge in bankruptcy shall release a bankrupt from all of his provable debts, whether allowable in full or in part, except such as (1) are due as a tax levied by the United States, or any State, county, district, or municipality; (2) are liabilities for obtaining money or property by false pretenses or false representations, or for willful and malicious injuries to the person or property of another, or for alimony due or to become due, or for maintenance or support of wife or child, or for seduction of an unmarried female, or for breach of promise of marriage accompanied by seduction, or for criminal conversation; (3) have not been duly scheduled in time for proof and allowance, with the name of the creditor, if known to the bankrupt, unless such creditor had notice or actual knowledge of the proceedings in bankruptcy; or (4) were created by his fraud, embezzlement, misappropriation or defalcation while acting as an officer or in any fiduciary capacity; or (5) are for wages which have been earned within three months before the date of commencement of the proceedings in bankruptcy due to workmen, servants, clerks, or traveling or city salesmen, on salary or commission basis, whole or part time, whether or not selling exclusively for the bankrupt; or (6) are due for moneys of an employee received or retained by his employer to secure the faithful performance by such employee of the terms of a contract of employment.

Debts not affected by a discharge.

#### "CHAPTER IV—COURTS AND PROCEDURE THEREIN

"SEC. 18. PROCESS; PLEADINGS; AND ADJUDICATIONS.—a. Upon the filing of a petition for involuntary bankruptcy, service thereof, with a writ of subpena, shall be made upon the person therein named as defendant. Upon the filing of a voluntary petition in behalf of a partnership by less than all of the general partners, service thereof, with a writ of subpena, shall be made upon the general partner or partners not parties to the filing of such petition. Such service shall be returnable within ten days, unless the court shall, for cause shown, fix a longer time, and shall be made at least five days prior to the return day, and in other respects shall be made in the same manner that service of such process is had upon the commencement of a suit in equity in the courts of the United States; but in case personal service cannot be made within the time allowed, then notice shall be given by publication in the same manner as provided by law for notice by publication in suits to enforce a legal or equitable lien in courts of the United States, except that, unless

Chapter IV—Courts and Procedure Therein.

Process; pleadings; and adjudications.

Pleadings.	<p>the court shall otherwise direct, the order shall be published only once and the return day shall be five days after such publication.</p> <p>"b. The bankrupt and, in the case of a petition against a partnership, any general partner or, in the case of a petition in behalf of a partnership, any general partner not joining therein, may appear and plead to the petition within five days after the return day or within such further time as the court may allow.</p>
Verification.	<p>"c. All pleadings setting up matters of fact shall be verified under oath.</p>
Determination of issues.	<p>"d. If a party entitled to appear and plead shall appear, within the time limited, and controvert the facts alleged in the petition, the court shall determine, as soon as may be, the issues presented by the pleadings, without the intervention of a jury except in cases where a jury trial is given by this Act, and make the adjudication or dismiss the petition.</p>
Failure to plead, adjudication or dismissal.	<p>"e. If on the last day within which pleadings may be filed none is filed, the court shall on the next day, or as soon thereafter as practicable, make the adjudication or dismiss the petition.</p>
Absence of judge; reference to referee.	<p>"f. If the judge is absent from the district, or the division of the district in which the petition is pending, on the next day after the last day on which pleadings may be filed, and none has been filed, the clerk shall, if the case has not already been referred, forthwith refer it to the referee.</p>
Voluntary petition.	<p>"g. Upon the filing of a voluntary petition, other than a petition filed in behalf of a partnership by less than all of the partners, the judge shall hear the petition and make the adjudication or dismiss the petition. If the judge is absent from the district, or the division of the district in which the petition is filed, at the time of the filing, the clerk shall forthwith refer the case to the referee.</p>
Jury trials.	<p>"SEC. 19. JURY TRIALS.—a. A person against whom an involuntary petition has been filed shall be entitled to have a trial by jury in respect to the question of his insolvency, except as herein otherwise provided, and of any act of bankruptcy alleged in such petition to have been committed, upon filing a written application therefor at or before the time within which an answer may be filed. If such application is not filed within such time, a trial by jury shall be deemed to have been waived.</p>
Waiver provision.	<p>"b. If a jury is not in attendance upon the court, one may be specially summoned for the trial or the case may be postponed.</p>
If jury not in attendance. Existing laws as to jury trials.	<p>"c. The right to submit to a jury matters in controversy or an alleged offense under this Act shall be determined and enjoyed, except as provided by this Act, according to the laws of the United States now in force or such as may be hereafter enacted in relation to trials by jury.</p>
Oaths. By whom administered.	<p>"SEC. 20. OATHS; AFFIRMATIONS.—a. Oaths required by this Act, except upon hearing before a judge, may be administered by (1) referees; (2) officers authorized to administer oaths in proceedings before the courts of the United States, or under the laws of the State where the same are to be taken; and (3) diplomatic or consular officers of the United States in any foreign country.</p>
Affirmations.	<p>"b. Any person conscientiously opposed to taking an oath may, in lieu thereof, affirm. Any person who shall affirm falsely shall be punished as for the making of a false oath.</p>
Evidence. Appearance of witnesses.	<p>"SEC. 21. EVIDENCE.—a. The court may, upon application of any officer, bankrupt, or creditor, by order require any designated persons, including the bankrupt and his or her spouse, to appear before the court or before the judge of any State court, to be examined concerning the acts, conduct, or property of a bankrupt: <i>Pro-</i></p>

vided, That the spouse may be examined only touching business transacted by such spouse or to which such spouse is a party and to determine the fact whether such spouse has transacted or been a party to any business of the bankrupt: *And provided further*, That the spouse may be so examined, any law of the United States or of any State to the contrary notwithstanding.

"b. Except as herein otherwise provided, the right to take depositions in proceedings under this Act shall be determined and enjoyed according to the laws of the United States now in force, or such as may be hereafter enacted, relating to the taking of depositions.

"c. Notice of the taking of depositions shall be filed with the court and a copy of such notice shall be served upon the adverse party in every case.

"d. Certified copies of proceedings before a referee, or of papers, when issued by the clerk or referee, shall be admitted as evidence with like force and effect as certified copies of the records of district courts of the United States are now or may hereafter be admitted as evidence.

"e. A certified copy of the order approving the bond of a trustee shall constitute conclusive evidence of his appointment and qualification.

"f. A certified copy of any order or decree entered in a proceeding under this Act shall be evidence of the jurisdiction of the court, the regularity of the proceedings, the fact that the order or decree was made, and the contents thereof, and, if recorded, shall impart the same notice that a deed or other instrument affecting property, if recorded, would impart.

"g. A certified copy of the petition with the schedules omitted, of the decree of adjudication or of the order approving the trustee's bond may be recorded at any time in the office where conveyances of real property are recorded, in every county where the bankrupt owns or has an interest in real property. Such certified copy may be recorded by the bankrupt, trustee, receiver, custodian, referee, or any creditor, and the cost of such recording shall be paid out of the estate of the bankrupt as part of the expenses of administration. Unless a certified copy of the petition, decree, or order has been recorded in such office, in any county wherein the bankrupt owns or has an interest in real property in any State whose laws authorize such recording, the commencement of a proceeding under this Act shall not be constructive notice to or affect the title of any subsequent bona-fide purchaser or lienor of real property in such county for a present fair equivalent value and without actual notice of the pendency of such proceeding: *Provided, however*, That where such purchaser or lienor has given less than such value, he shall nevertheless have a lien upon such property, but only to the extent of the consideration actually given by him. The exercise by any court of the United States or of any State of jurisdiction to authorize or effect a judicial sale of real property of the bankrupt within any county in any State whose laws authorize the recording aforesaid shall not be impaired by the pendency of such proceeding unless such copy be recorded in such county, as aforesaid, prior to the consummation of such judicial sale: *Provided, however*, That this subdivision shall not apply to the county in which is kept the record of the original proceedings under this Act.

"h. A certified copy of an arrangement or wage-earner plan and of the order confirming it shall constitute evidence of the revesting in the debtor of title to the property dealt with by the arrangement or wage-earner plan, or of the vesting of title to such property in

*Provisos.*  
Examination of spouse limited to business transactions.

Permitted, laws to contrary notwithstanding.  
Depositions.

Notice of taking; service.

Certified copies of proceedings before referee, etc.; admissibility.

Certified copy of order approving bond of trustee.

Effect of, in proceeding hereunder.

Recording of copy of petition, etc., where bankrupt owns real property.

Failure to record, effect on bona-fide purchaser for value, etc.

*Provisos.*  
Where purchaser, etc., has given less than fair equivalent value.

County in which record of original proceedings kept.

Certified copy of arrangement, etc., as evidence of title to property.

such other person as may be provided by the arrangement or wage-earner plan, and if recorded shall impart the same notice that an instrument of transfer from the trustee to the debtor or to such person if recorded would impart.

Privileged communications.

"i. A communication by a creditor, by the receiver or the trustee of a bankrupt, by the attorney for any of them, or by the referee to a creditor, to the receiver or trustee of the bankrupt, to the attorney for any of them, to the referee or to the bankrupt or his attorney, uttered in good faith and with reasonable grounds for belief in its truth, concerning the conduct, acts, or property of the bankrupt, shall be privileged and the creditor, receiver, trustee, attorney, or referee so uttering the same shall not be held liable therefor.

Examination of witnesses with interest adverse to party calling.

"j. In any proceeding or controversy, or in any plenary suit, brought under this Act, if it shall appear that the interest of a witness is adverse to the party calling him, such witness may be examined as if under cross-examination and the party calling him shall not be bound by such testimony.

Remedies pertaining to discovery, etc.

"k. In all proceedings under this Act, the parties in interest shall be entitled to all rights and remedies granted by the rules of equity practice established from time to time by the Supreme Court pertaining to discovery, interrogatories, inspection and production of documents, and to the admission of execution and genuineness of instruments: *Provided*, That the limitations of time therein prescribed may be shortened by the court to expedite hearings.

*Proviso.*  
Expediting hearings.  
Accounting; failure to disclose cost.

"l. In any proceeding under this Act against a bankrupt for an accounting by him for his property or the disposition thereof, or to compel a turn-over of property by him, if his books, records, and accounts shall fail to disclose the cost to him of such property sold by him during any period under consideration, it shall be presumed, until the contrary shall appear, that such property was sold at a price not less than the cost thereof to him.

Reference of petitions.

"SEC. 22. REFERENCE OF PETITIONS.—a. The judge may at any stage of a proceeding under this Act refer the same to a referee, either generally or specially.

Transfer of case from one referee to another.

"b. The judge may, at any time, for the convenience of parties or for cause, transfer a case from one referee to another.

Jurisdiction of United States and State courts.

"SEC. 23. JURISDICTION OF UNITED STATES AND STATE COURTS.—a. The United States district courts shall have jurisdiction of all controversies at law and in equity, as distinguished from proceedings under this Act, between receivers and trustees as such and adverse claimants, concerning the property acquired or claimed by the receivers or trustees, in the same manner and to the same extent as though such proceedings had not been instituted and such controversies had been between the bankrupts and such adverse claimants.

Suits by receiver and trustee.

"b. Suits by the receiver and the trustee shall be brought or prosecuted only in the courts where the bankrupt might have brought or prosecuted them if proceedings under this Act had not been instituted, unless by consent of the defendant, except as provided in sections 60, 67, and 70 of this Act.

*Post*, pp. 869, 875, 879.

Jurisdiction of appellate courts.

"SEC. 24. JURISDICTION OF APPELLATE COURTS.—a. The Circuit Courts of Appeals of the United States and the United States Court of Appeals for the District of Columbia, in vacation, in chambers, and during their respective terms, as now or as they may be hereafter held, are hereby invested with appellate jurisdiction from the several courts of bankruptcy in their respective jurisdictions in proceedings in bankruptcy, either interlocutory or final, and in controversies arising in proceedings in bankruptcy, to review, affirm, revise, or

reverse, both in matters of law and in matters of fact: *Provided, however,* That the jurisdiction upon appeal from a judgment on a verdict rendered by a jury, shall extend to matters of law only: *Provided further,* That when any order, decree, or judgment involves less than \$500, an appeal therefrom may be taken only upon allowance of the appellate court.

"b. Such appellate jurisdiction shall be exercised by appeal and in the form and manner of an appeal.

"c. The Supreme Court of the United States is hereby vested with jurisdiction to review judgments, decrees, and orders of the Circuit Courts of Appeals of the United States and the United States Circuit Court of Appeals for the District of Columbia in proceedings under this Act in accordance with the provisions of the laws of the United States now in force or such as may hereafter be enacted.

"SEC. 25. PRACTICE ON APPEALS.—a. Appeals under this Act to the Circuit Courts of Appeals of the United States and the United States Circuit Court of Appeals for the District of Columbia shall be taken within thirty days after written notice to the aggrieved party of the entry of the judgment, order or decree complained of, proof of which notice shall be filed within five days after service or, if such notice be not served and filed, then within forty days from such entry.

"b. Receivers and trustees shall not be required in any case to give bond when they take appeals.

"SEC. 26. ARBITRATION OF CONTROVERSIES.—a. The receiver or trustee may, pursuant to the direction of the court, submit to arbitration any controversy arising in the settlement of the estate.

"b. Three arbitrators shall be chosen by mutual consent, or one by the receiver or trustee, one by the other party to the controversy, and the third by the two so chosen or, if they fail to agree in five days after their appointment, the court shall appoint the third arbitrator.

"c. The written finding of the arbitrators or of a majority of them as to the issues presented may be filed in court and shall have like force and effect as the verdict of a jury.

"SEC. 27. COMPROMISES.—The receiver or trustee may, with the approval of the court, compromise any controversy arising in the administration of the estate upon such terms as he may deem for the best interest of the estate.

"SEC. 28. DESIGNATION OF NEWSPAPERS.—The judges of courts of bankruptcy shall by order designate a newspaper published within their respective territorial districts, and in the county in which the bankrupt resides or the major part of his property is situated, in which notices and orders which the court may direct to be published shall be inserted. Any court may in a particular case, for the convenience of parties in interest, designate some additional newspaper in which notices and orders in such case shall be published.

"SEC. 29. OFFENSES.—a. A person shall be punished by imprisonment for a period of not to exceed five years or by a fine of not more than \$5,000, or both, upon conviction of the offense of having knowingly and fraudulently appropriated to his own use, embezzled, spent, or unlawfully transferred any property or secreted or destroyed any document belonging to the estate of a bankrupt which came into his charge as trustee, receiver, custodian, marshal, or other officer of the court.

"b. A person shall be punished by imprisonment for a period of not to exceed five years or by a fine of not more than \$5,000, or both, upon conviction of the offense of having knowingly and fraudulently (1) concealed from the receiver, custodian, trustee, marshal, or other officer of the court charged with the control or custody of property,

*Provisos.*  
Appeal on jury verdict extended to matters of law only.

Where sum is less than \$500.

Exercise of jurisdiction by appeal.

Review by Supreme Court, etc.

Practice on appeals.

No bond required of receiver, etc.

Arbitration of controversies.

Arbitrators, appointment.

Finding, force of.

Compromises.

Designation of newspapers.

Offenses; penalties.

or from creditors in any proceeding under this Act, any property belonging to the estate of a bankrupt; or (2) made a false oath or account in or in relation to any proceeding under this Act; or (3) presented under oath any false claim for proof against the estate of a bankrupt, or used any such claim in any proceeding under this Act, personally, or by agent, proxy, or attorney, or as agent, proxy, or attorney; or (4) received any material amount of property from a bankrupt after the filing of a proceeding under this Act, with intent to defeat this Act; or (5) received or attempted to obtain any money or property, remuneration, compensation, reward, advantage, or promise thereof from any person, for acting or forbearing<sup>1</sup> to act in any proceeding under this Act; or (6) while an agent or officer of any person or corporation, and in contemplation of a proceeding under this Act by or against such person or corporation, or with intent to defeat this Act, concealed or, with or without concealment, transferred any of the property of such person or corporation; or (7) after the filing of a proceeding under this Act or in contemplation thereof, concealed, destroyed, mutilated, falsified, or made a false entry in any document affecting or relating to the property or affairs of a bankrupt; or (8) after the filing of a proceeding under this Act, withheld from the receiver, custodian, trustee, marshal, or other officer of the court any document affecting or relating to the property or affairs of a bankrupt, to the possession of which he is entitled.

"c. A person shall be punished by fine, not to exceed \$500, and shall forfeit his office, and the same shall thereupon become vacant, upon conviction of the offense of having knowingly (1) acted as a referee in a case in which he is directly or indirectly interested; or (2) purchased, while a referee, receiver, custodian, trustee, marshal, or other officer of the court, directly or indirectly, any property of the estate in a proceeding under this Act, of which he is such officer; or (3) refused, while such officer, to permit a reasonable opportunity for the inspection of the accounts relating to the affairs of, and of the documents of, estates in his charge by parties in interest when directed by the court so to do.

Time limitation.

*Proviso.*  
Concealment of assets.

Report of violations by referee, receiver, etc.

*Proviso.*  
Where one officer has made report.  
Duties of U. S. attorney.

"d. A person shall not be prosecuted for any offense arising under this Act unless the indictment is found or the information is filed in court within three years after the commission of the offense: *Provided*, That the offense of concealment of assets of a bankrupt shall be deemed to be a continuing offense until the bankrupt shall have been finally discharged, and the period of limitations herein provided shall not begin to run until such final discharge.

"e. (1) Whenever any referee, receiver, or trustee shall have reasonable grounds for believing that any offense under this Act has been committed, or that an investigation should be had in connection therewith, it shall be the duty of any such officer to report such matter to the United States attorney for the district in which it is believed such an offense has been committed, including in such report a statement of all the facts and circumstances of the case within his knowledge, the names of the witnesses and a statement as to the offense or offenses believed to have been committed: *Provided*, That where one of such officers has made such a report, the other officers named herein shall not be required to do so.

"(2) It shall thereupon become the duty of the United States attorney to inquire into the facts so reported to him and report thereon to the referee, and if it appears probable that any offense under this Act has been committed, in a proper case and without delay, to present the matter to the grand jury, unless upon inquiry and examination such United States attorney decides that the ends

<sup>1</sup> So in original.

of public justice do not require that the alleged offense should be investigated or prosecuted, in which case he shall report the facts to the Attorney General for his direction in the premises.

"f. The term 'bankrupt', wherever used in this section, shall include a debtor by or against whom a petition has been filed proposing an arrangement or plan under this Act.

"Bankrupt" construed.

"SEC. 31. COMPUTATION OF TIME.—Whenever time is enumerated by days in this Act, or in any proceeding thereunder the number of days shall be computed by excluding the first and including the last, unless the last fall on a Sunday or holiday, in which event the day last included shall be the next day thereafter which is not a Sunday or a holiday.

Computation of time.

"SEC. 32. TRANSFER OF CASES.—In the event petitions are filed by or against the same person or by or against different members of a partnership, in different courts of bankruptcy each of which has jurisdiction, the cases shall, by order of the court first acquiring jurisdiction, be transferred to and consolidated in the court which can proceed with the same for the greatest convenience of parties in interest.

Transfer of cases.

## "CHAPTER V—OFFICERS, THEIR DUTIES AND COMPENSATION

Chapter V—Officers, Their Duties and Compensation.

"SEC. 34. APPOINTMENT, REMOVAL, AND DISTRICTS OF REFEREES.—The judges of courts of bankruptcy shall, within the territorial limits of which they respectively have jurisdiction, (1) appoint referees, each for a term of two years and may, in their discretion, remove them because their services are not needed or for other cause; and (2) designate and from time to time change the limits of the districts of referees: *Provided*, That the jurisdiction of such referees in matters referred to them shall not be restricted to the districts so designated for them, but shall, unless otherwise provided in this Act, be coextensive with the territorial limits of the jurisdiction of the courts of bankruptcy appointing them.

Referees; appointment, removal, and districts.

*Proviso.*  
Jurisdiction.

"SEC. 35. QUALIFICATIONS OF REFEREES.—Individuals shall not be eligible to appointment as referees unless they are (1) competent to perform the duties of a referee in bankruptcy; (2) not holding any office of profit or emolument under the laws of the United States or of any State other than commissioners of deeds, justices of the peace, masters in chancery or notaries public; (3) not relatives of any of the judges of the courts of bankruptcy or of the justices or judges of the appellate courts of the districts wherein they may be appointed; (4) resident within the territorial limits of the court of bankruptcy and have their offices in the districts for which they are to be appointed; and (5) members in good standing at the bar of the district court of the United States in which they are appointed: *Provided, however*, That this requirement shall not apply to referees holding office on the date when this amendatory Act takes effect.

Qualifications.

*Proviso.*  
Application to present referees.

"SEC. 37. NUMBER OF REFEREES.—Such number of referees shall be appointed as may be necessary to assist in expeditiously transacting the bankruptcy business pending in the various courts of bankruptcy, but, insofar as possible, the number shall be limited with a view to employment of referees on a full-time basis.

Number.

"SEC. 38. JURISDICTION OF REFEREES.—Referees are hereby invested, subject always to a review by the judge, with jurisdiction to (1) consider all petitions referred to them and make the adjudications or dismiss the petitions; (2) exercise the powers vested in courts of bankruptcy for the administering of oaths to and the

Jurisdiction.



examination of persons as witnesses and for requiring the production of documents in proceedings before them, except the power of commitment; (3) exercise the powers of the judge for the taking possession and releasing of the property of the bankrupt in the event of the issuance by the clerk of a certificate showing the absence of a judge from the judicial district, or the division of the district, or showing his sickness or inability to act; (4) grant, deny, or revoke discharges; (5) confirm or refuse to confirm arrangements or wage-earner plans, or set aside the confirmation of arrangements or wage-earner plans and reinstate the proceedings or cases; (6) perform such of the duties as are by this Act conferred on courts of bankruptcy, including those incidental to ancillary jurisdiction, and as shall be prescribed by rules or orders of the courts of bankruptcy of their respective districts, except as herein otherwise provided; and (7) during the examination of the bankrupt, or during other proceedings, authorize the employment of stenographers for reporting and transcribing proceedings at such reasonable expense to the estate as the court may fix.

Duties of referees.

"SEC. 39. DUTIES OF REFEREES.—a. Referees shall (1) give notice to creditors and other parties in interest, as provided in this Act; (2) prepare and file the schedules of property and lists of creditors required to be filed by the bankrupts or cause the same to be done when the bankrupts fail, refuse, or neglect to do so; (3) examine all schedules of property, lists of creditors, and statements of affairs, filed as provided under this Act, and cause such as are incomplete and defective to be amended; (4) furnish or cause to be furnished such information concerning proceedings before them as may be requested by parties in interest; (5) declare dividends and cause to be prepared dividend sheets showing the dividends declared and to whom payable; (6) transmit to the clerks such papers as may be on file before them whenever the same are needed in any proceedings in courts and secure the return of such papers after they have been used, or, if it be impractical to transmit the original papers, transmit certified copies thereof by mail; (7) upon application of any party in interest, preserve the evidence taken, or the substance thereof as agreed upon by the parties before them when a stenographer is not in attendance; (8) prepare promptly and transmit to the clerks certificates on petitions for review of orders made by them, together with a statement of the questions presented, the findings and orders thereon, the petition for review, a transcript of the evidence or a summary thereof, and all exhibits; (9) transmit forthwith to the clerks all bonds filed with and approved by them, the originals of all orders made by them granting adjudications or dismissing the petitions as provided in this Act, and certified copies of all orders made and entered by them, granting, denying, or revoking discharges, or confirming or refusing to confirm arrangements or plans or setting aside the confirmation of arrangements or wage-earner plans and reinstating the proceedings or cases, and reports of the completion thereof; and (10) safely keep, perfect, and transmit to the clerks, when the cases are concluded, the records herein required to be kept by them.

Acts prohibited.

"b. Referees shall not (1) act in cases in which they are directly or indirectly interested; (2) practice as attorneys and counselors at law in any proceeding under this Act; or (3) purchase, directly or indirectly, any property of an estate in any proceeding under this Act.

Petition for review  
by person aggrieved  
by order.

"c. A person aggrieved by an order of a referee may, within ten days after the entry thereof or within such extended time as the court may for cause shown allow, file with the referee a petition for review of such order by a judge and serve a copy of such petition upon the

adverse parties who were represented at the hearing. Such petition shall set forth the order complained of and the alleged errors in respect thereto. Upon application of any party in interest, the execution or enforcement of the order complained of may be suspended by the court upon such terms as will protect the rights of all parties in interest.

"SEC. 40. COMPENSATION OF REFEREES.—a. Referees shall receive as full compensation for their services, payable after they are rendered, a fee of \$15, deposited with the clerk at the time the petition is filed in each case, except when a fee is not required from a voluntary bankrupt; a fee of 25 cents for every proof of claim filed for allowance, to be paid from the estate, if any, as a part of the cost of administration; and from estates which have been administered before them, 1 per centum commissions on all moneys disbursed to creditors by the trustees or, upon confirmation of an arrangement, one-half of 1 per centum on the amount to be paid to creditors in respect to the composition of debts and one-half of 1 per centum on the amount of the debts whose maturity is to be extended and of the debts, if any, to be paid in full. Referees in ancillary proceedings shall receive as full compensation for their services, payable after they are rendered, a fee of \$15 deposited in each case with the clerk of the ancillary court at the time the ancillary proceeding is instituted, and 1 per centum commission on all moneys disbursed in the ancillary proceeding to lien creditors, as well as on all moneys transmitted and on the fair value of all property turned over in kind by the court of the ancillary jurisdiction to the court of primary jurisdiction. The judge may, however, by standing rule or otherwise, fix a lower rate of compensation, so that no referee shall receive excessive compensation during his term of office, and, in any case of an extension, the judge may prescribe terms and conditions for the payment of the referee's compensation.

Compensation of referees.

"b. Whenever a case is transferred from one referee to another the judge shall determine the proportion in which the fee and commissions therefor shall be divided between the referees.

Cases transferred from one referee to another.

"c. In the event of the reference of a case being revoked before it is concluded, and when the case is specially referred, the judge shall determine what part of the fee and commissions shall be paid to the referee.

Revocation of reference.

"SEC. 41. CONTEMPTS BEFORE REFEREES.—a. A person shall not, in proceedings before a referee, (1) disobey or resist any lawful order, process, or writ; (2) misbehave during a hearing or so near the place thereof as to obstruct the same; (3) neglect to produce, after having been ordered to do so, any pertinent document; or (4) refuse to appear after having been subpoenaed, or, upon appearing, refuse to take the oath as a witness, or having taken the oath, refuse to be examined according to law: *Provided*, That a person other than a bankrupt or, where the bankrupt is a corporation, its officers, or the members of its board of directors or trustees or of other similar controlling bodies, shall not be required to attend as a witness before a referee at a place more than one hundred miles from such person's place of residence or unless his lawful mileage and fee for one day's attendance shall be first paid or tendered to him.

Contempts before referees.

*Proviso.*  
Attendance of witnesses.

"b. The referee shall forthwith certify the facts to the judge, if any person shall do any of the things forbidden in this section, and he may serve or cause to be served upon such person an order requiring such person to appear before the judge upon a day certain to show cause why he should not be adjudged in contempt by reason of the facts so certified. The judge shall thereupon, in a summary manner, hear the evidence as to the acts complained of and, if it is

Contempt proceedings.

Punishment.

such as to warrant him in so doing, punish such person in the same manner and to the same extent as for a contempt committed before him, or commit such person upon the same conditions as if the doing of the forbidden act had occurred with reference to the process of the court of bankruptcy or in the presence of the judge.

Records of referees;  
manner of keeping.

"SEC. 42. RECORDS OF REFEREES.—a. The records of all proceedings in each case before a referee shall be kept as nearly as may be in the same manner as records are kept in equity cases in district courts of the United States.

Separate record of  
each case.

"b. A separate record shall be kept of the proceedings in each case and shall, together with the papers on file, constitute the records of the case.

Certification and  
transmittal to clerk.

"c. The record of the proceedings shall, when the case is concluded before the referee, be certified to by him and shall, together with such papers as are on file before him, be transmitted to the clerk and shall remain in the office of the clerk as a part of the records of the court.

Trustees.

"SEC. 44. TRUSTEES; CREDITORS' COMMITTEES; AND ATTORNEYS.—a. The creditors of a bankrupt, exclusive of the bankrupt's relatives or, where the bankrupt is a corporation, exclusive of its stockholders or members, its officers, and the members of its board of directors or trustees or of other similar controlling bodies, shall, at the first meeting of creditors after the adjudication, or after a vacancy has occurred in the office of trustee, or after an estate has been reopened, appoint a trustee or three trustees of such estate. If the creditors do not appoint a trustee or if the trustee so appointed fails to qualify as herein provided, the court shall make the appointment.

Creditors' commit-  
tees.

"b. Such creditors may, at their first meeting, also appoint a committee of not less than three creditors, which committee may consult and advise with the trustee in connection with the administration of the estate, make recommendations to the trustee in the performance of his duties and submit to the court any question affecting the administration of the estate.

Attorneys.

"c. An attorney shall not be disqualified to act as attorney for a receiver or trustee merely by reason of his representation of a general creditor.

Receivers and trust-  
tees, qualifications.

"SEC. 45. QUALIFICATIONS OF RECEIVERS AND TRUSTEES.—Receivers and trustees shall be (1) individuals who are competent to perform their duties and who reside or have an office in the judicial district within which they are appointed; or (2) corporations authorized by their charters or by law to act in such capacity and having an office in the judicial district within which they are appointed.

Death or removal.

"SEC. 46. DEATH OR REMOVAL OF RECEIVERS OR TRUSTEES.—The death or removal of a receiver or trustee shall not abate any suit or proceeding which he is prosecuting or defending at the time of his death or removal, but the same may be proceeded with or defended by his joint receiver or joint trustee or successor in the same manner as though the same had been commenced or was being defended by such joint receiver or joint trustee alone or by such successor.

Duties of trustees.

"SEC. 47. DUTIES OF TRUSTEES.—a. Trustees shall (1) collect and reduce to money the property of the estates for which they are trustees, under the direction of the court, and close up the estates as expeditiously as is compatible with the best interests of the parties in interest; (2) deposit all money received by them in designated depositories; (3) account for and pay over to the estates under their control all interest received by them upon funds belonging to such estates; (4) disburse money only by check or draft on such depositories; (5) keep records and accounts showing all amounts and items of property received and from what sources, all amounts expended and for what purposes and all items of property disposed

of; (6) set apart the bankrupts' exemptions allowed by law, if claimed, and report the items and estimated value thereof to the courts as soon as practicable after their appointment; (7) examine the bankrupts (a) at the first meetings of creditors or at other meetings specially fixed for that purpose, unless they shall already have been fully examined by the referees, receivers, or creditors, and (b) upon the hearing of objections, if any, to their discharges, unless otherwise ordered by the court; (8) examine all proofs of claim and object to the allowance of such claims as may be improper; (9) oppose at the expense of estates the discharges of bankrupts when they deem it advisable to do so; (10) furnish such information concerning the estates of which they are trustees and their administration as may be requested by parties in interest; (11) pay dividends within ten days after they are declared by the referees; (12) report to the courts in writing the condition of the estates, the amounts of money on hand, and such other details as may be required by the courts, within the first month after their appointment and every two months thereafter, unless otherwise ordered by the courts; (13) make final reports and file final accounts with the courts fifteen days before the days fixed for the final meetings of the creditors; and (14) lay before the final meetings of the creditors detailed statements of the administration of the estates.

"b. Whenever three trustees have been appointed for an estate, the concurrence of at least two of them shall be necessary to the validity of their every act concerning the administration of the estate.

Concurrence of two of three trustees necessary.

"c. The trustee shall, within ten days after his qualification, record a certified copy of the order approving his bond in the office where conveyances of real estate are recorded in every county where the bankrupt owns real property or an interest therein, not exempt from execution, and pay the fee for such filing. He shall receive a compensation of 50 cents for each copy so filed which, together with the filing fee, shall be paid out of the estate of the bankrupt as a part of the expenses of administration.

Recording of order approving bond in counties where bankrupt owns real property.

Fee.

"SEC. 48. COMPENSATION OF RECEIVERS, MARSHALS, AND TRUSTEES.—  
a. RECEIVERS.—The compensation of receivers appointed under this Act, for their services payable after they are rendered, shall be as follows:

Compensation of receivers, marshals, and trustees.  
Receivers.

"(1) AS CUSTODIANS.—Receivers appointed pursuant to clause (3) of section 2 of this Act who serve as mere custodians shall receive such amount as may be allowed by the court, but in no event to exceed 2 per centum on the first \$1,000 or less, and one-half of 1 per centum on all above \$1,000 on moneys disbursed by them or turned over by them to any persons, including lienholders, and also upon moneys turned over by them to the trustee and on moneys subsequently realized from property turned over by them in kind to the trustee.

As custodians.

"(2) WITH FULL POWERS.—Receivers appointed pursuant to clause (3) of section 2 of this Act who serve otherwise than as mere custodians shall receive compensation by way of commissions upon the moneys disbursed or turned over to any persons, including lienholders, by them and also upon the moneys turned over by them or afterward realized by the trustees from property turned over in kind by them to the trustees, such amount as the court may allow, but in no event to exceed 6 per centum on the first \$500 or less, 4 per centum on all in excess of \$500 but not more than \$1,500, 2 per centum on all above \$1,500 and not more than \$10,000, and 1 per centum on all above \$10,000.

With full powers.

Conducting business.

"(3) CONDUCTING BUSINESS.—Receivers appointed pursuant to clause (3) of section 2 of this Act who conduct the business of the bankrupt as provided in clause (5) of section 2 of this Act, shall receive such amount as may be allowed by the court, but in no event to exceed twice the maximum allowance permitted by paragraph (2) of this subdivision a.

Ancillary receivers.

"(4) ANCILLARY RECEIVERS.—The compensation of ancillary receivers appointed pursuant to this Act shall be such amount as may be allowed by the court of ancillary jurisdiction, but in no event to exceed the maximum compensation permitted by paragraphs (1), (2), or (3) of this subdivision a, as the case may be, based upon assets in such ancillary jurisdiction.

Marshals.

"b. MARSHALS.—The compensation of marshals, payable after their services are rendered, shall be such amount as may be allowed by the court, but in no event to exceed the maximum allowance permitted for receivers for like services.

Trustees.

"c. TRUSTEES.—The compensation of trustees for their services, payable after they are rendered, shall be a fee of \$5 for each estate, deposited with the clerk at the time the petition is filed in each case, except when a fee is not required from a voluntary bankrupt, and such further sum as the court may allow, as follows:

Normal administration.

"(1) NORMAL ADMINISTRATION.—When the trustee does not conduct the business of the bankrupt, such sum as the court may allow, but in no event to exceed 6 per centum on the first \$500 or less, 4 per centum on moneys in excess of \$500 and not more than \$1,500, 2 per centum on moneys in excess of \$1,500, and not more than \$10,000, and 1 per centum on moneys in excess of \$10,000, upon all moneys disbursed or turned over by them to any persons, including lienholders: *Provided, however,* That if in any case, after the trustee has paid all expenses of administration and has realized upon all available assets, the maximum compensation allowable to him hereunder does not exceed \$100, the court may of its own motion allow the trustee a fee which with the commissions, if any, paid or to be paid him, shall not exceed \$100.

*proviso.*  
Where maximum compensation allowable does not exceed \$100.

Conducting business.

"(2) CONDUCTING BUSINESS.—Trustees who conduct the business of the bankrupts as provided in clause (5) of section 2 of this Act shall receive such amount as may be allowed by the court, but in no event to exceed twice the maximum allowance permitted by paragraph (1) of this subdivision c.

Apportionment of fees.

"d. APPORTIONMENT OF FEES.—In the event of the appointment, concurrently or successively, of more than one receiver of an estate or of more than one ancillary receiver in the same jurisdiction, or in the event of the administration of an estate by three trustees instead of one trustee or by successive trustees, the court shall apportion the fees and commissions among such receivers, ancillary receivers, or trustees, as the case may be, according to the services actually rendered, so that there shall not be paid to any such group a greater amount than that to which one receiver, ancillary receiver, or trustee, respectively, would be entitled.

Withholding compensation.

"e. WITHHOLDING COMPENSATION.—The court may, in its discretion, withhold all compensation from any receiver, trustee, attorney, or any other person who has been removed from office or dismissed because of the unlawful sharing of fees or for any other cause.

Arrangements.

"f. ARRANGEMENTS.—In the case of an arrangement confirmed under this Act, the compensation of a marshal, receiver, or trustee in a prior pending bankruptcy proceeding superseded by the arrangement proceeding, or of a receiver appointed in an original proceeding for an arrangement under this Act, shall be the same as hereinabove provided for a marshal, receiver, or trustee, as the case may be, for

like services. Such compensation shall be computed upon all moneys disbursed or turned over by him to any persons, including lienholders, upon all moneys to be paid to unsecured creditors upon the confirmation of the arrangement and thereafter, pursuant to the terms of the arrangement, and where under the arrangement any part of the consideration to be paid is other than money, upon the amount of the fair value of such consideration: *Provided, however,* That the court may, in respect to all moneys to be paid to such unsecured creditors after the confirmation of the arrangement, prescribe such time for the payment of the compensation computed thereon as in the particular case may be fair and equitable.

*Proviso.*  
Payment of compensation.

"g. **PLANS OF REORGANIZATION.**—In the case of a plan of reorganization confirmed under this Act, the compensation of a marshal, receiver, or trustee, in a prior pending bankruptcy proceeding superseded by the reorganization proceeding shall be the same as hereinabove provided for a marshal, receiver, or trustee, as the case may be, for like services. Such compensation shall be computed upon all moneys disbursed or turned over by him to any persons, including lienholders, upon all moneys to be paid to unsecured creditors upon the consummation of the plan of reorganization and thereafter, pursuant to the terms of the plan of reorganization, and where under the plan of reorganization any part of the consideration to be paid to unsecured creditors is other than money, upon the amount of the fair value of such consideration: *Provided, however,* That the court may, in respect to the moneys to be paid to such unsecured creditors after the consummation of the plan of reorganization, prescribe such time for the payment of the compensation computed thereon as in the particular case may be fair and equitable.

Plans of reorganization.

*Proviso.*  
Payment of compensation.

"SEC. 49. **ACCOUNTS AND PAPERS OF RECEIVERS AND TRUSTEES.**—The accounts and papers of receivers and trustees shall be open to the inspection of officers and all parties in interest.

Inspection of accounts and papers of receivers and trustees.

"SEC. 50. **BONDS.**—a. Referees, before assuming the duties of their offices and within such time as the district courts of the United States having jurisdiction shall prescribe, shall qualify by entering into bond to the United States in such sum as shall be fixed by such courts, not to exceed \$5,000, with such sureties as shall be approved by such courts, conditioned for the faithful performance of their official duties.

Bonds of referees.

"b. Receivers and trustees, before entering upon the performance of their official duties and within five days after their appointment or within such further time, not to exceed five days, as the court may permit, shall qualify by entering into bond to the United States, with such sureties as shall be approved by the courts, conditioned for the faithful performance of their official duties.

Receivers and trustees.

"c. The court shall fix the amount of receivers' and trustees' bonds and may increase or decrease the amounts at any time when cause therefor appears.

Amounts.

"d. The court shall require evidence as to the actual value of the property of sureties.

Sureties.

"e. There shall be at least two sureties upon each bond, except as provided in subdivision g of this section.

"f. The actual value of the property of the sureties, over and above their liabilities and exemptions, on each bond shall equal at least the amount of such bond.

"g. Corporations organized for the purpose of becoming sureties on bonds or authorized by law to do so may be accepted as sole sureties upon the bonds of referees, receivers, and trustees whenever the courts are satisfied that the rights of all parties in interest will be thereby amply protected.

Acceptance of corporations as sureties.

Filing of bonds.	<p>"h. Bonds of referees, receivers, trustees, and designated depositories shall be filed of record in the office of the clerk of the court and may be proceeded upon in the name of the United States for the use of any person injured by a breach of their conditions or may be enforced as provided in subdivision n of this section.</p>
Personal liability of receivers or trustees.	<p>"i. Receivers or trustees shall not be liable personally or on their bonds to the United States for any penalties or forfeitures incurred by the bankrupts under this Act of whose estates they are receivers or trustees.</p>
Bonds of joint receivers, etc.	<p>"j. Joint receivers or trustees may give joint or several bonds.</p>
Failure to give bond.	<p>"k. If any referee, receiver, or trustee shall fail to give bond as herein provided and within the time limited, he shall be deemed to have declined his appointment and such failure shall create a vacancy in his office.</p>
Proceedings upon bonds.	<p>"l. Proceedings upon referees' bonds shall not be brought subsequent to two years after the alleged breach of the bond.</p>
Breach of obligation.	<p>"m. Proceedings upon receivers' or trustees' bonds shall not be brought subsequent to two years after their respective discharges.</p> <p>"n. In the event of the breach of any obligation of a bond furnished pursuant to this Act, the court may, upon application of any party in interest and after notice, summarily determine the damages and by appropriate process enforce the collection thereof from those liable on the bond.</p>
Clerks, duties.	<p>"SEC. 51. DUTIES OF CLERKS.—Clerks shall (1) account for, as for other fees received by them, the clerk's fee paid in each case and such other fees as may be received for certified copies of records which may be prepared for persons other than officers; (2) collect the fees of the clerk, referee, and trustee in each case instituted before filing the petition, except the petition of a proposed voluntary bankrupt which is accompanied by an affidavit stating that the petitioner is without and cannot obtain the money with which to pay such fees; (3) collect the fees of the clerk and referee in each ancillary proceeding before filing the petition whereby the ancillary proceeding is instituted; (4) deliver to the referees all papers which may be referred to them or, if the offices of such referees are not in the same cities or towns as the offices of such clerks, transmit such papers by mail and in like manner return papers which were received from such referees after they have been used; and (5) within ten days after each case has been closed pay to the referee, if the case was referred, the fee collected for him and to the trustee the fee collected for him at the time of filing the petition.</p>
Compensation, clerks and marshals.	<p>"SEC. 52. COMPENSATION OF CLERKS AND MARSHALS.—a. Clerks shall charge and collect for their service to each estate, whether in a court of primary or ancillary jurisdiction, a filing fee of \$10, except when a fee is not required from a voluntary bankrupt.</p> <p>"b. Marshals shall charge the estate where an adjudication in bankruptcy is made, except as herein otherwise provided, for the performance of their services in proceedings in bankruptcy, the same fees, and account for them in the same way, as they are entitled to charge for the performance of the same or similar services in other cases in accordance with laws in force on July 1, 1898, or such as may be thereafter enacted, fixing the compensation of marshals.</p>
Annual statistical report by Attorney General to Congress.	<p>"SEC. 53. DUTIES OF ATTORNEY GENERAL.—The Attorney General annually shall lay before Congress statistical tables showing for the whole country and by States and Federal districts and divisions thereof the number of voluntary and involuntary cases referred, a classification of the bankrupts therein by occupations, the number of cases concluded, the number of discharges granted and denied, the</p>

net total of proceeds realized, the average amount realized per case, the amount of the administration expenses, total and classified, and the percentages of such total and classified expenses as compared with the total net realization, the total amounts paid to creditors of all classes and the amounts paid to each class, the percentages in a comparison of the total amount and the amount of each class with such total net realization, and the amount of the obligations owing to creditors in total and by classes and the amounts and percentages paid on such total and to such classes out of such net realization. Like information relative to cases arising under the provisions of chapters VIII, IX, X, XI, XII, and XIII of this Act shall be compiled and included in such tables.

47 Stat. 1467, 48 Stat. 798.  
*Post*, pp. 883, 905, 916, 930.

## “CHAPTER VI—CREDITORS

Chapter VI—Creditors.

“SEC. 55. MEETINGS OF CREDITORS.—a. The court shall cause the first meeting of the creditors of a bankrupt to be held not less than ten nor more than thirty days after the adjudication, at the county seat of the county in which the bankrupt has had his principal place of business, resided or had his domicile; or if that place would be manifestly inconvenient as a place of meeting for the parties in interest, or if the bankrupt is one who does not do business, reside, or have his domicile within the United States, the court shall fix a place for the meeting which is the most convenient for parties in interest. If such meeting should by any mischance not be held within such time, the court shall fix the date, as soon as may be thereafter, when it shall be held.

Meetings; time and place.

“b. At the first meeting of creditors, the judge or referee shall preside and, before proceeding with other business, may allow or disallow the claims of creditors there presented, and shall publicly examine the bankrupt or cause him to be examined, and may permit creditors to examine him.

Presiding officer, powers.

“c. The creditors shall at each meeting take such steps as may be pertinent and necessary for the promotion of the best interests of the estate and the enforcement of this Act.

Creditors, duties, etc.

“d. The court shall call a meeting of creditors whenever one-fourth or more in number of those who have proved their claims shall file a written request to that effect; if such request is signed by a majority of such creditors, which number represents a majority in amount of such claims, and contains a request for such meeting to be held at a designated place, the court shall call such meeting at such place within thirty days after the date of the filing of the request.

Call of meeting by court.

“e. Whenever the affairs of the estate are ready to be closed a final meeting of creditors shall be ordered: *Provided, however*, That a no-asset case may be closed without ordering such final meeting.

Final meeting.  
*Proviso.*  
 No-asset cases.

“SEC. 56. VOTERS AT MEETINGS OF CREDITORS.—a. Creditors shall pass upon matters submitted to them at their meetings by a majority vote in number and amount of claims of all creditors whose claims have been allowed and who are present, except as herein otherwise provided.

Voters at meetings of creditors.

“b. Except as otherwise provided in this Act, creditors holding claims which are secured or have priority shall not in respect to such claims be entitled to vote at creditors' meetings, nor shall such claims be counted in computing either the number of creditors or the amount of their claims, unless the amounts of such claims exceed the values of such securities or priorities, and then only for such excess.

Secured, etc., creditors.



Claims of \$50 or less.	"c. Claims of \$50 or less shall not be counted in computing the number of creditors voting or present at creditors' meetings, but shall be counted in computing the amount.
Proof and allowance of claims.	"SEC. 57. PROOF AND ALLOWANCE OF CLAIMS.—a. A proof of claim shall consist of a statement under oath, in writing and signed by a creditor, setting forth the claim; the consideration therefor; whether any and, if so, what securities are held therefor; and whether any and, if so, what payments have been made thereon; and that the claim is justly owing from the bankrupt to the creditor.
Production of instrument on which claim is founded.	"b. Whenever a claim is founded upon an instrument of writing, such instrument, unless lost or destroyed, shall be filed with the proof of claim. If such instrument is lost or destroyed, a statement of such fact and of the circumstances of such loss or destruction shall be filed under oath with the claim. After the claim is allowed or disallowed, such instrument may be withdrawn by permission of the court upon leaving a copy thereof on file with the claim.
Filing of proofs of claims.	"c. Proofs of claim may, for the purpose of allowance, be filed by the claimants in the court of bankruptcy where the proceedings are pending or before the referee if the case has been referred.
Allowance.	"d. Claims which have been duly proved shall be allowed upon receipt by or upon presentation to the court, unless objection to their allowance shall be made by parties in interest or unless their consideration be continued for cause by the court upon its own motion: <i>Provided, however</i> , That an unliquidated or contingent claim shall not be allowed unless liquidated or the amount thereof estimated in the manner and within the time directed by the court; and such claim shall not be allowed if the court shall determine that it is not capable of liquidation or of reasonable estimation or that such liquidation or estimation would unduly delay the administration of the estate or any proceeding under this Act.
Proviso. Unliquidated or contingent claims.	"e. Claims of secured creditors and those who have priority may be temporarily allowed to enable such creditors to participate in the proceedings at creditors' meetings held prior to the determination of the value of their securities or priorities, but shall be thus temporarily allowed for such sums only as to the courts seem to be owing over and above the value of their securities or priorities.
Secured, etc., creditors.	"f. Objections to claims shall be heard and determined as soon as the convenience of the court and the best interests of the estates and the claimants will permit.
Objections to claims, determination of.	"g. The claims of creditors who have received or acquired preferences, liens, conveyances, transfers, assignments or encumbrances, void or voidable under this Act, shall not be allowed unless such creditors shall surrender such preferences, liens, conveyances, transfers, assignments, or encumbrances.
Void or voidable preferences, etc.	"h. The value of securities held by secured creditors shall be determined by converting the same into money according to the terms of the agreement pursuant to which such securities were delivered to such creditors, or by such creditors and the trustee by agreement, arbitration, compromise or litigation, as the court may direct, and the amount of such value shall be credited upon such claims, and a dividend shall be paid only on the unpaid balance. Such determination shall be under the supervision and control of the court.
Determination of value of securities held by secured creditors.	"i. Whenever a creditor whose claim against a bankrupt estate is secured by the individual undertaking of any person fails to prove and file such claim, such person may do so in the creditor's name and, if he discharge such undertaking in whole or in part, he shall be subrogated to that extent to the rights of the creditor.
Court supervision, etc.	
Claim secured by individual undertaking of another.	

"j. Debts owing to the United States or any State or subdivision thereof as a penalty or forfeiture shall not be allowed, except for the amount of the pecuniary loss sustained by the act, transaction, or proceeding out of which the penalty or forfeiture arose, with reasonable and actual costs occasioned thereby and such interest as may have accrued thereon according to law.

Debts to United States, etc.

"k. Claims which have been allowed may be reconsidered for cause and reallocated or rejected in whole or in part according to the equities of the case, before but not after the estate has been closed.

Reconsideration of allowed claims.

"l. Whenever a claim shall have been reconsidered and rejected, in whole or in part, upon which a dividend has been paid, the trustee may recover from the creditor the amount of the dividend received upon the claim if rejected in whole, or the proportional part thereof if rejected only in part, and the trustee may also recover any excess dividend paid to any creditor. The court shall have summary jurisdiction of a proceeding by the trustee to recover any such dividends.

Reconsidered claims on which dividend has been paid, etc.

"m. The claim of any estate which is being administered in bankruptcy against any like estate may be proved and filed by the receiver or trustee and allowed by the court in the same manner and upon like terms as the claims of other creditors.

Proceedings for recovery.

Claims of one bankrupt estate against another.

"n. Except as otherwise provided in this Act, all claims provable under this Act, including all claims of the United States and of any State or subdivision thereof, shall be proved and filed in the manner provided in this section. Claims which are not filed within six months after the first date set for the first meeting of creditors shall not be allowed: *Provided, however*, That the court may, upon application before the expiration of such period and for cause shown, grant a reasonable fixed extension of time for the filing of claims by the United States or any State or subdivision thereof: *Provided further*, That, except in proceedings under chapters X, XI, XII, and XIII of this Act, the right of infants and insane persons without guardians, without notice of the bankruptcy proceedings, may continue six months longer: *And provided further*, That a claim arising in favor of a person by reason of the recovery by the trustee from such person of money or property, or the avoidance by the trustee of a lien held by such person, may be filed within thirty days from the date of such recovery or avoidance, but if the recovery is by way of a proceeding in which a final judgment has been entered against such person, the claim shall not be allowed if the money is not paid or the property is not delivered to the trustee within thirty days from the date of the rendering of such final judgment, or within such further time as the court may allow. When in any case all claims which have been duly allowed have been paid in full, claims not filed within the time hereinabove prescribed may nevertheless be filed within such time as the court may fix or for cause shown extend and, if duly proved, shall be allowed against any surplus remaining in such case.

Proof of claims.

Time limitation for filing.

Provisos. Extensions.

Infants, etc. *Post*, pp. 883, 905, 916, 930.

Claims arising by reason of recovery, etc., by trustee.

"SEC. 58. NOTICES.—a. Creditors shall have at least ten days' notice by mail, to their respective addresses as they appear in the list of creditors of the bankrupt or as afterward filed with the papers in the case by the creditors, of (1) all examinations of the bankrupt, if the court so directs; (2) all hearings upon applications for the confirmation of arrangements and wage-earner plans; (3) all meetings of creditors; (4) all proposed sales of property: *Provided*, That the court may, upon cause shown, shorten such time or order an immediate sale without notice; (5) the filing of all accounts of the receiver and trustee, for which confirmation is asked, and the time when they will be examined and passed upon; (6) the

Notices. Creditors.

Proviso. Sales of property.

*Proriso.*  
Where creditors'  
committee has been  
appointed.

Filing of objections  
to bankrupt's dis-  
charge.

Hearing, time and  
place.

By whom notice is  
given.

First meeting, etc.

Orders of adjudica-  
tion, etc., copy to  
Commissioner of In-  
ternal Revenue.

Who may file and  
dismiss petitions.

Filing in triplicate.

Joining in petition  
of sufficient number of  
creditors.

proposed compromise of any controversy in which the amount claimed by either party in money or value exceeds \$1,000; (7) the proposed dismissal of the proceedings, in cases where notice is required by subdivision g of section 59 of this Act; and (8) all applications by receivers, ancillary receivers, marshals, trustees, and attorneys for compensation from the estate for services rendered, specifying the amount and by whom made: *Provided*, That where a creditors' committee has been appointed pursuant to this Act, the notice required by clauses (1), (4) and (6) of this subdivision shall be sent only to such committee and to the creditors who have filed with the court a demand that all notices under this subdivision be mailed to them.

"b. The court shall give at least thirty days' notice by mail of the last day fixed by its order for the filing of objections to a bankrupt's discharge (1) to the creditors, in the manner prescribed in subdivision a of this section; (2) to the trustee and his attorney, at their respective addresses as filed by them with the court; and (3) to the United States attorney of the judicial district wherein the proceeding is pending. The court shall also give at least thirty days' notice by mail of the time and place of a hearing upon objections to a bankrupt's discharge (1) to the bankrupt, at his last known address as appears in his petition, schedules, list of creditors, or statement of affairs, or, if no address so appears, to his last-known address as furnished by the trustee or other party after inquiry; (2) to the bankrupt's attorney, if any, at his address as filed by him with the court; and (3) to the objecting parties and their attorneys, at their respective addresses as filed by them with the court.

"c. All notices shall be given by the referee unless otherwise ordered by the judge. Any notice required by this Act may be waived in writing by any person entitled thereto.

"d. Notice to creditors of the first meeting shall be published at least once and may be published such number of additional times as the court may direct; the last publication shall be at least one week prior to the date fixed for the meeting. Other notices may be published as the court shall direct.

"e. The clerk shall mail to the Commissioner of Internal Revenue a certified copy of every order of adjudication forthwith upon the entry thereof. The court shall, in every case, mail or cause to be mailed a copy of the notice of the first meeting of creditors to the Commissioner of Internal Revenue and to the collector of internal revenue for the district in which the court is located.

"SEC. 59. WHO MAY FILE AND DISMISS PETITIONS.—a. Any qualified person may file a petition to be adjudged a voluntary bankrupt.

"b. Three or more creditors who have provable claims fixed as to liability and liquidated as to amount against any person which amount in the aggregate in excess of the value of securities held by them, if any, to \$500 or over; or if all of the creditors of such person are less than twelve in number, then one of such creditors whose claim equals such amount may file a petition to have him adjudged a bankrupt.

"c. Petitions shall be filed in triplicate, one copy for the clerk, one for service on the bankrupt, and one for the referee.

"d. If it be averred in the petition that the creditors of the bankrupt, computed as provided in subdivision e of this section, are less than twelve in number, and less than three creditors have joined as petitioners therein, and the answer avers the existence of a larger number of creditors, there shall be filed with the answer a list under oath of all the creditors, with their addresses and a brief statement

of the nature of their claims and the amounts thereof, and thereupon the court shall cause all such creditors to be notified of the pendency of such petition and shall delay the hearing upon such petition for a reasonable time, to the end that the parties in interest shall have an opportunity to be heard. If upon such hearing it shall appear that a sufficient number of qualified creditors have joined in such petition or, if prior to or during such hearing, a sufficient number of qualified creditors shall join therein, the case may be proceeded with, but otherwise it shall be dismissed.

"e. In computing the number of creditors of a bankrupt for the purpose of determining how many creditors must join in the petition, there shall not be counted (1) such creditors as were employed by the bankrupt at the time of the filing of the petition; (2) creditors who are relatives of the bankrupt or, if the bankrupt is a corporation, creditors who are stockholders or members, officers or members of the board of directors or trustees or of other similar controlling bodies of such bankrupt corporation; (3) creditors who have participated, directly or indirectly, in the act of bankruptcy charged in the petition; (4) secured creditors whose claims are fully secured; and (5) creditors who have received preferences, liens, or transfers void or voidable under this Act.

"f. Creditors other than the original petitioners may at any time enter their appearance and join in the petition.

"g. A voluntary or involuntary petition shall not be dismissed upon the application of the petitioner or petitioners, or for want of prosecution, or by consent of parties, until after notice to the creditors as provided in section 58 of this Act, and to that end the court shall, upon entertaining an application for dismissal, require the bankrupt to file a list, under oath, of all his creditors, with their addresses, shall cause such notice to be sent to the creditors of the pendency of such application and shall delay the hearing thereon for a reasonable time to allow all creditors and parties in interest an opportunity to be heard. If the bankrupt shall fail to file such list within the time fixed by the court, such list may be filed by the petitioning creditors according to the best of their knowledge, information, and belief: *Provided, however,* That in the case of a dismissal for failure to pay the costs of the bankruptcy proceedings, such notice of dismissal shall not be required.

"h. A creditor shall not be estopped to act as a petitioning creditor because he participated in any prior matter or judicial proceeding, having for its purpose the adjustment or settlement of the affairs of the debtor or the liquidation of his property, or to allege such prior matter or proceeding as an act of bankruptcy, unless he has consented thereto in writing with knowledge of the facts, if any, which would be a bar to the discharge of the debtor under this Act.

"SEC. 60. PREFERRED CREDITORS.—a. A preference is a transfer, as defined in this Act, of any of the property of a debtor to or for the benefit of a creditor for or on account of an antecedent debt, made or suffered by such debtor while insolvent and within four months before the filing by or against him of the petition in bankruptcy, or of the original petition under chapter X, XI, XII, or XIII of this Act, the effect of which transfer will be to enable such creditor to obtain a greater percentage of his debt than some other creditor of the same class. For the purposes of subdivisions a and b of this section, a transfer shall be deemed to have been made at the time when it became so far perfected that no bona-fide purchaser from the debtor and no creditor could thereafter have acquired any rights in the property so transferred superior to the rights of the transferee therein, and, if such transfer is not so perfected prior to the filing of the petition in bank-

Computation of number; certain creditors not counted.

Creditors other than original petitioners.

Dismissal provisions.

*Ante*, p. 867.

*Proviso.*  
Dismissal for failure to pay costs.

Creditors participating in prior proceeding to adjust affairs of debtor.

Preferred creditors.  
Preference defined.

*Post*, pp. 883, 905, 916, 930.

When transfer deemed to have been made.

ruptcy or of the original petition under chapter X, XI, XII or XIII of this Act, it shall be deemed to have been made immediately before bankruptcy.

Voidable prefer-  
ences.

Recovery.

Proviso.  
Lien where pur-  
chaser has given less  
than fair equivalent  
value.

Jurisdiction.

Preferred creditor  
giving further credit  
without security.

Payment to attor-  
ney, etc., by debtor  
in contemplation of  
filing of petition.

Where bankrupt is  
a stockbroker.  
Definitions.

"b. Any such preference may be avoided by the trustee if the creditor receiving it or to be benefited thereby or his agent acting with reference thereto has, at the time when the transfer is made, reasonable cause to believe that the debtor is insolvent. Where the preference is voidable, the trustee may recover the property or, if it has been converted, its value from any person who has received or converted such property, except a bona-fide purchaser from or lienor of the debtor's transferee for a present fair equivalent value: *Provided, however,* That where such purchaser or lienor has given less than such value, he shall nevertheless have a lien upon such property, but only to the extent of the consideration actually given by him. Where a preference by way of lien or security title is voidable, the court may on due notice order such lien or title to be preserved for the benefit of the estate, in which event such lien or title shall pass to the trustee. For the purpose of any recovery or avoidance under this section, where plenary proceedings are necessary, any State court which would have had jurisdiction if bankruptcy had not intervened and any court of bankruptcy shall have concurrent jurisdiction.

"c. If a creditor has been preferred, and afterward in good faith gives the debtor further credit without security of any kind for property which becomes a part of the debtor's estate, the amount of such new credit remaining unpaid at the time of the adjudication in bankruptcy may be set off against the amount which would otherwise be recoverable from him.

"d. If a debtor shall, directly or indirectly, in contemplation of the filing of a petition by or against him, pay money or transfer property to an attorney and counselor at law, solicitor in equity, or proctor in admiralty for services to be rendered, the transaction shall be reexamined by the court on petition of the trustee or any creditor and shall be held valid only to the extent of a reasonable amount to be determined by the court, and the excess may be recovered by the trustee for the benefit of the estate.

"e. (1) Where the bankrupt is a stockbroker, the following definitions and provisions of this subdivision shall apply: 'Property' shall include cash, securities, whether or not negotiable, and all other property of similar character; 'customers' of a stockbroker shall include persons who have claims on account of securities received, acquired, or held by the stockbroker from or for the account of such persons (a) for safekeeping, or (b) with a view to sale, or (c) to cover consummated sales, or (d) pursuant to purchases, or (e) as collateral security, or (f) by way of loans of securities by such persons to the stockbroker, and shall include persons who have claims against the stockbroker arising out of sales or conversions of such securities; 'cash customers' shall mean customers entitled to immediate possession of such securities without the payment of any sum to the stockbroker; the same person may be a cash customer with reference to certain securities and not a cash customer with reference to other securities; the 'net equity' of a customer's account shall be determined by excluding any specifically identifiable securities reclaimable by the customer and by subtracting the indebtedness of the customer to the stockbroker from the sum which would have been owing by the stockbroker to the customer had the stockbroker liquidated, by sale or purchase on the date of bankruptcy, the remaining securities or security commitments of the customer.

"(2) All property at any time received, acquired, or held by a stockbroker from or for the account of customers, except cash customers who are able to identify specifically their property in the manner prescribed in paragraph (4) of this subdivision and the proceeds of all customers' property rightfully transferred or unlawfully converted by the stockbroker, shall constitute a single and separate fund; and all customers except such cash customers shall constitute a single and separate class of creditors, entitled to share ratably in such fund on the basis of their respective net equities as of the date of bankruptcy: *Provided, however,* That such fund shall to the extent approved by the court be subject to the priority of payment of the costs and expenses enumerated in clauses (1) and (2) of subdivision a of section 64 of this Act. If such fund shall not be sufficient to pay in full the claims of such class of creditors, such creditors shall be entitled, to the extent only of their respective unpaid balances, to share in the general estate with the general creditors.

Property held for account of customers to constitute single fund; exception.

*Proviso.*  
Payment of costs and expenses.

"(3) Any property remaining after the liquidation of a pledge made by a stockbroker shall be apportioned between his general estate and such single and separate fund in the proportion in which the general property of the stockbroker and the property of his customers contributed to such pledge.

Apportionment of property remaining after liquidation of pledge.

"(4) No cash received by a stockbroker from or for the account of a customer for the purchase or sale of securities, and no securities or similar property received by a stockbroker from or for the account of a cash customer for sale and remittance or pursuant to purchase or as collateral security, or for safekeeping, or any substitutes therefor or the proceeds thereof, shall for the purposes of this subdivision be deemed to be specifically identified, unless such property remained in its identical form in the stockbroker's possession until the date of bankruptcy, or unless such property or any substitutes therefor or the proceeds thereof were, more than four months before bankruptcy or at a time while the stockbroker was solvent, allocated to or physically set aside for such customer, and remained so allocated or set aside at the date of bankruptcy.

Cash, etc., not deemed specifically identified; exception.

"(5) Where such single and separate fund is not sufficient to pay in full the claims of such single and separate class of creditors, a transfer by a stockbroker of any property which, except for such transfer, would have been a part of such fund may be recovered by the trustee for the benefit of such fund, if such transfer is voidable or void under the provisions of this Act. For the purpose of such recovery, the property so transferred shall be deemed to have been the property of the stockbroker and, if such transfer was made to a customer or for his benefit, such customer shall be deemed to have been a creditor, the laws of any State to the contrary notwithstanding. If any securities received or acquired by a stockbroker from a cash customer are transferred by the stockbroker, such customer shall not have any specific interest in or specific right to any securities of like kind on hand at the time of bankruptcy, but such securities of like kind or the proceeds thereof shall become part of such single and separate fund: *Provided, however,* That a customer shall have a specific title to securities (a) which have been physically set aside by a stockbroker, more than four months before his bankruptcy or while solvent, in safekeeping for such customer, and so retained until the date of bankruptcy, regardless of the name in which such securities are registered, or (b) which a stockbroker, more than four months before his bankruptcy or while solvent, caused to be registered in the name of such customer.

Where fund not sufficient to pay creditors.

*Proviso.*  
Securities to which customer has specific title.

## Chapter VII—Estates.

## "CHAPTER VII—ESTATES

Depositories for money.

Government securities in lieu of surety.

44 Stat. 122.  
6 U. S. C. § 15.*Provisos.*  
Insured deposits.48 Stat. 168.  
12 U. S. C. § 264.  
Custody of securities.

Security by depositories.

Expenses of administering estates.

Unauthorized sharing of fees.

*Proviso.*  
Law partners, etc.

Petition for compensation.

"SEC. 61. DEPOSITORIES FOR MONEY.—The judges of the several courts of bankruptcy shall designate, by order, banking institutions as depositories for the money of estates under this Act, as convenient as may be to the residences of receivers and trustees, and shall require from each such banking institution a good and sufficient bond with surety, to secure the prompt repayment of the deposit. Said judges may, in accordance with the provisions of, and the authority conferred in section 1126 of the Revenue Act of 1926, as amended (U. S. C., title 6, sec. 15), accept the deposit of the securities therein designated, in lieu of a surety or sureties upon such bond and may, from time to time as occasion may require, by like order increase or decrease the number of depositories or the amount of any bond or other security or change such depositories: *Provided*, That no security in the form of a bond or otherwise shall be required in the case of such part of the deposits as are insured under section 12 B of the Federal Reserve Act, as amended: *And provided further*, That depository banks shall place such securities, accepted for deposit in lieu of a surety or sureties upon depository bonds, in the custody of Federal Reserve banks or branches thereof designated by the judges of the several courts of bankruptcy, subject to the orders of such judges. All national banking associations designated as depositories, pursuant to the provisions of this section of this Act, are authorized to give such security as may be required. All pledges of securities heretofore made for the purposes herein named are hereby ratified, validated and approved.

"SEC. 62. EXPENSES OF ADMINISTERING ESTATES; UNAUTHORIZED SHARING OF FEES; WITHHOLDING ALLOWANCES.—a. The actual and necessary costs and expenses incurred by officers in the administration of estates shall, except where other provisions are made for their payment, be reported in detail, under oath, and examined and approved or disapproved by the court. If approved, they shall be paid or allowed out of the estates in which they were incurred.

"b. When approved by the judge, the necessary costs and expenses of referees incidental to the prosecution of proceedings and the administration of estates pending before them may be apportioned to and paid out of such estates by such method as may be authorized by rule prescribed by the judge. In the case of referees whose offices are exclusively devoted to the conduct of the business of the court, such costs and expenses shall include necessary disbursements approved by the judge for the establishing, equipping, and maintaining of such offices, and any property acquired for such offices shall belong to the United States for the use and be under the control of the court.

"c. A custodian, receiver, or trustee or the attorney for any of them, or any other attorney, rendering services in a proceeding under this Act or in connection with such proceeding, shall not in any form or guise share or agree to share his compensation for such services with any person not contributing thereto, or share or agree to share in the compensation of any person rendering services in a proceeding under this Act or in connection with such proceeding, to which services he has not contributed: *Provided, however*, That an attorney-at-law may share such compensation with a law partner or with a forwarding attorney-at-law, and may share in the compensation of a law partner.

"d. A custodian, receiver, or trustee or the attorney for any of them, or any other attorney, seeking compensation for services rendered by him in a proceeding under this Act or in connection with such proceeding, shall file with the court his petition setting forth the value and extent of the services rendered, the amount requested

and what allowances, if any, have theretofore been made to him. Such petition shall be accompanied by his affidavit stating whether an agreement or understanding exists between the petitioner and any other person for a division of compensation and, if so, the nature and particulars thereof. If satisfied that the petitioner has, in any form or guise, shared or agreed to share his compensation or in the compensation of any other person contrary to the provisions of this subdivision, the court shall withhold all compensation from such petitioner.

"SEC. 63. DEBTS WHICH MAY BE PROVED.—a. Debts of the bankrupt may be proved and allowed against his estate which are founded upon (1) a fixed liability, as evidenced by a judgment or an instrument in writing, absolutely owing at the time of the filing of the petition by or against him, whether then payable or not, with any interest thereon which would have been recoverable at that date or with a rebate of interest upon such as were not then payable and did not bear interest; (2) costs taxable against a bankrupt who was at the time of the filing of the petition by or against him plaintiff in a cause of action which would pass to the trustee and which the trustee declines to prosecute after notice; (3) a claim for taxable costs incurred in good faith by a creditor before the filing of the petition in an action to recover a probable<sup>1</sup> debt; (4) an open account, or a contract express or implied; (5) provable debts reduced to judgments after the filing of the petition and before the consideration of the bankrupt's application for a discharge, less costs incurred and interest accrued after the filing of the petition and up to the time of the entry of such judgments; (6) an award of an industrial-accident commission, body, or officer of any State having jurisdiction to make awards of workmen's compensation in case of injury or death from injury, if such injury occurred prior to adjudication; (7) the right to recover damages in any action for negligence instituted prior to and pending at the time of the filing of the petition in bankruptcy; (8) contingent debts and contingent contractual liabilities; or (9) claims for anticipatory breach of contracts, executory in whole or in part, including unexpired leases of real or personal property: *Provided, however,* That the claim of a landlord for damages for injury resulting from the rejection of an unexpired lease of real estate or for damages or indemnity under a covenant contained in such lease shall in no event be allowed in an amount exceeding the rent reserved by the lease, without acceleration, for the year next succeeding the date of the surrender of the premises to the landlord or the date of reentry of the landlord, whichever first occurs, whether before or after bankruptcy, plus an amount equal to the unpaid rent accrued, without acceleration, up to such date: *And provided further,* That in the case of an assignment of any such claim for damages, the court shall, in determining the amount thereof, examine the circumstances of the assignment and the consideration paid or to be paid therefor, and may allow the claim of the assignee in such amount, subject to the provisions of the foregoing proviso of this clause (9), as will be fair and equitable.

"b. In the interval after the filing of an involuntary petition and before the appointment of a receiver or the adjudication, whichever first occurs, a claim arising in favor of a creditor by reason of property transferred or services rendered by the creditor to the bankrupt for the benefit of the estate shall be provable to the extent of the value of such property or services.

"c. Notwithstanding any State law to the contrary, the rejection of an executory contract or unexpired lease, as provided in this Act, shall constitute a breach of such contract or lease as of the date of the

Debts which may be proved.

*Proviso.*  
Claims of landlords for damages.

Assignment of claims for damages.

Claims arising between filing of involuntary petition and adjudication, etc.

Rejection of executory contract or unexpired lease.

<sup>1</sup> So in original.



*Post*, pp. 883, 905,  
916, 930.

Contingent or un-  
liquidated claims.  
*Ante*, p. 866.

Debts which have  
priority.

Costs and fees.

Wages, etc.

Expense of adduc-  
ing evidence resulting  
in refusal of discharge,  
etc.

Taxes.

*Provisos.*  
Limitation.

Questions as to  
amount or legality of  
any taxes.

Debts owed to per-  
sons entitled to pri-  
ority.

Rent.

*Proviso.*  
Restriction.

Debts contracted  
while a discharge is  
in force, etc.

filing of the petition in bankruptcy, or of the original petition under chapter X, XI, XII, or XIII of this Act.

"d. Where any contingent or unliquidated claim has been proved, but, as provided in subdivision d of section 57 of this Act, has not been allowed, such claim shall not be deemed provable under this Act.

"SEC. 64. DEBTS WHICH HAVE PRIORITY.—a. The debts to have priority, in advance of the payment of dividends to creditors, and to be paid in full out of bankrupt estates, and the order of payment, shall be (1) the actual and necessary costs and expenses of preserving the estate subsequent to filing the petition; the filing fees paid by creditors in involuntary cases; where property of the bankrupt, transferred or concealed by him either before or after the filing of the petition, shall have been recovered for the benefit of the estate of the bankrupt by the efforts and at the cost and expense of one or more creditors, the reasonable costs and expenses of such recovery; the costs and expenses of administration, including the trustee's expenses in opposing the bankrupt's discharge, the fees and mileage payable to witnesses as now or hereafter provided by the laws of the United States, and one reasonable attorney's fee, for the professional services actually rendered, irrespective of the number of attorneys employed, to the petitioning creditors in involuntary cases and to the bankrupt in voluntary and involuntary cases, as the court may allow; (2) wages, not to exceed \$600 to each claimant, which have been earned within three months before the date of the commencement of the proceeding, due to workmen, servants, clerks, or traveling or city salesmen on salary or commission basis, whole or part time, whether or not selling exclusively for the bankrupt; (3) where the confirmation of an arrangement or wage-earner plan or the bankrupt's discharge has been refused, revoked, or set aside upon the objection and through the efforts and at the cost and expense of one or more creditors, or, where through the efforts and at the cost and expense of one or more creditors, evidence shall have been adduced resulting in the conviction of any person of an offense under this Act, the reasonable costs and expenses of such creditors in obtaining such refusal, revocation, or setting aside, or in adducing such evidence; (4) taxes legally due and owing by the bankrupt to the United States or any State or any subdivision thereof: *Provided*, That no order shall be made for the payment of a tax assessed against any property of the bankrupt in excess of the value of the interest of the bankrupt estate therein as determined by the court: *And provided further*, That, in case any question arises as to the amount or legality of any taxes, such question shall be heard and determined by the court; and (5) debts owing to any person, including the United States, who by the laws of the United States in <sup>1</sup> entitled to priority, and rent owing to a landlord who is entitled to priority by applicable State law: *Provided, however*, That such priority for rent to a landlord shall be restricted to the rent which is legally due and owing for the actual use and occupancy of the premises affected, and which accrued within three months before the date of bankruptcy.

"b. Debts contracted while a discharge is in force or after the confirmation of an arrangement shall, in the event of a revocation of the discharge or setting aside of the confirmation, have priority and be paid in full in advance of the payment of the debts which were provable in the bankruptcy or arrangement proceeding, as the case may be.

<sup>1</sup> So in original.

"SEC. 65. DECLARATION AND PAYMENTS OF DIVIDENDS.—a. Dividends of an equal per centum shall be declared and paid on all allowed claims, except such as have priority or are secured.

Declaration and payments of dividends.

"b. The first dividends shall be declared within thirty days after the first date set for the first meeting of creditors, if the money of the estate in excess of the amount necessary to pay the debts which have priority equals 5 per centum or more of the allowed claims and such claims as have not been but probably will be allowed. Dividends subsequent to the first shall be declared upon like terms as the first and as often as the amount shall equal 10 per centum or more, and upon closing the estate. Dividends may be declared oftener and in smaller proportions, if the court shall so order: Unless six months have expired since the first date set for the first meeting, the first dividend, including such sum as would be required to pay a like dividend upon such claims as probably will be allowed, shall not include more than 50 per centum of the money of the estate in excess of the amount necessary to pay the debts which have priority, and the final dividend shall not be declared until three months after the first dividend shall be declared: *Provided*, That after the expiration of six months following the first date set for the first meeting only one dividend need be declared.

First dividends.

Subsequent dividends.

*Proviso.*  
When only one dividend.

"c. The rights of creditors who have received dividends or in whose favor final dividends have been declared shall not be affected by the proof and allowance of claims subsequent to the date of such payment or declarations of dividends; but the creditors proving and securing the allowance of such claims shall be paid dividends equal in amount to those already received by the other creditors, if the estate equals so much, before such other creditors are paid any further dividends.

Claims proved and allowed after payment, etc., of dividends.

"d. Whenever a person shall have been adjudged a bankrupt by a court without the United States and also by a court of bankruptcy, creditors residing within the United States shall first be paid a dividend equal to that received in the court without the United States by other creditors before creditors who have received a dividend in such courts shall be paid any amounts.

Adjudication by court without U. S. and also by court of bankruptcy.

"e. A claimant shall not be entitled to collect from a bankrupt estate any greater amount than shall accrue pursuant to the provisions of this Act.

Limit of claimant's right to collect from bankrupt estate.

"SEC. 66. UNCLAIMED MONEYS.—a. Dividends or other moneys which remain unclaimed for sixty days after the final dividend has been declared and distributed shall be paid by the trustee into the court of bankruptcy; and at the same time the trustee shall file with the clerk a list of the names and post-office addresses, as far as known, of the persons entitled thereto, showing the respective amounts payable to them.

Unclaimed moneys. Disposition.

"b. Dividends remaining unclaimed for one year shall, under the direction of the court, be distributed to the creditors whose claims have been allowed but not paid in full, and after such claims have been paid in full the balance shall be paid to the bankrupt: *Provided*, That, in case unclaimed dividends belong to minors, such minors may have one year after arriving at majority to claim such dividends.

*Proviso.*  
Unclaimed dividends belonging to minors.

"SEC. 67. LIENS AND FRAUDULENT TRANSFERS.—a. (1) Every lien against the property of a person obtained by attachment, judgment, levy, or other legal or equitable process or proceedings within four months before the filing of a petition in bankruptcy or of an original petition under chapter X, XI, XII, or XIII of this Act by or against such person shall be deemed null and void (a) if at the time when

Liens and fraudulent transfers.

*Proviso.*  
Reinstatement provisions.

Liens dissolved by  
furnishing of bond.

*Post*, pp. 883, 905,  
916, 930.

*Proviso.*  
Reinstatement.

Discharge of prop-  
erty.

Passage of property  
to trustee or debtor.

Conveyance by  
court order.

*Proviso.*  
Validity of title of  
bona-fide purchaser.

Summary jurisdic-  
tion to hear and deter-  
mine rights of parties.

Discharge of liabil-  
ity of surety.

Validity of desig-  
nated statutory liens.

such lien was obtained such person was insolvent or (b) if such lien was sought and permitted in fraud of the provisions of this Act: *Provided, however*, That if such person is not finally adjudged a bankrupt in any proceeding under this Act and if no arrangement or plan is proposed and confirmed, such lien shall be deemed reinstated with the same effect as if it had not been nullified and voided.

“(2) If any lien deemed null and void under the provisions of paragraph (1) of this subdivision a, has been dissolved by the furnishing of a bond or other obligation, the surety on which has been indemnified directly or indirectly by the transfer of or the creation of a lien upon any of the nonexempt property of a person before the filing of a petition in bankruptcy or of an original petition under chapter X, XI, XII, or XIII of this Act by or against him, such indemnifying transfer or lien shall also be deemed null and void: *Provided, however*, That if such person is not finally adjudged a bankrupt in any proceeding under this Act, and if no arrangement or plan is proposed and confirmed, such transfer or lien shall be deemed reinstated with the same effect as if it had not been nullified and voided.

“(3) The property affected by any lien deemed null and void under the provisions of paragraphs (1) and (2) of this subdivision a shall be discharged from such lien, and such property and any of the indemnifying property transferred to or for the benefit of a surety shall pass to the trustee or debtor, as the case may be, except that the court may on due notice order any such lien to be preserved for the benefit of the estate, and the court may direct such conveyance as may be proper or adequate to evidence the title thereto of the trustee or debtor, as the case may be: *Provided, however*, That the title of a bona-fide purchaser of such property shall be valid, but if such title is acquired otherwise than at a judicial sale held to enforce such lien, it shall be valid only to the extent of the present consideration paid for such property.

“(4) The court shall have summary jurisdiction of any proceeding by the trustee or debtor, as the case may be, to hear and determine the rights of any parties under this subdivision a. Due notice of any hearing in such proceeding shall be given to all parties in interest, including the obligee of a releasing bond or other like obligation. Where an order is entered for the recovery of indemnifying property in kind or for the avoidance of an indemnifying lien, the court, upon application of any party in interest, shall in the same proceeding ascertain the value of such property or lien, and if such value is less than the amount for which such property is indemnity or than the amount of such lien, the transferee or lienholder may elect to retain such property or lien upon payment of its value, as ascertained by the court, to the trustee or debtor, as the case may be, within such reasonable times as the court shall fix.

“(5) The liability of a surety under a releasing bond or other like obligation shall be discharged to the extent of the value of the indemnifying property recovered or the indemnifying lien nullified and voided by the trustee or debtor, or, where the property is retained pursuant to the provisions of paragraph (4) of this subdivision a, to the extent of the amount paid to the trustee or debtor.

“b. The provisions of section 60 of this Act to the contrary notwithstanding, statutory liens in favor of employees, contractors, mechanics, landlords, or other classes of persons, and statutory liens for taxes and debts owing to the United States or any State or subdivision thereof, created or recognized by the laws of the United States or of any State, may be valid against the trustee, even though arising or perfected while the debtor is insolvent and within four

months prior to the filing of the petition in bankruptcy or of the original petition under chapter X, XI, XII, or XIII of this Act, by or against him. Where by such laws such liens are required to be perfected and arise but are not perfected before bankruptcy, they may nevertheless be valid, if perfected within the time permitted by and in accordance with the requirements of such laws, except that if such laws require the liens to be perfected by the seizure of property, they shall instead be perfected by filing notice thereof with the court.

"c. Where not enforced by sale before the filing of a petition in bankruptcy or of an original petition under chapter X, XI, XII, or XIII of this Act, though valid under subdivision b of this section, statutory liens, including liens for taxes or debts owing to the United States or to any State or subdivision thereof, on personal property not accompanied by possession of such property, and liens whether statutory or not, of distress for rent shall be postponed in payment to the debts specified in clauses (1) and (2) of subdivision a of section 64 of this Act, and, except as against other liens, such liens for wages or for rent shall be restricted in the amount of their payment to the same extent as provided for wages and rent respectively in subdivision a of section 64 of this Act.

Postponements in payment to specified debts.

"d. (1) For the purposes of, and exclusively applicable to, this subdivision d: (a) 'Property' of a debtor shall include only his nonexempt property; (b) 'debt' is any legal liability, whether matured or unmatured, liquidated or unliquidated, absolute, fixed, or contingent; (c) 'creditor' is a person in whose favor a debt exists; (d) a person is 'insolvent' when the present fair salable value of his property is less than the amount required to pay his debts; and to determine whether a partnership is insolvent, there shall be added to the partnership property the present fair salable value of the separate property of each general partner in excess of the amount required to pay his separate debts, and also the amount realizable on any unpaid subscription to the partnership of each limited partner; and (e) consideration given for the property or obligation of a debtor is 'fair' (1) when, in good faith, in exchange and as a fair equivalent therefor, property is transferred or an antecedent debt is satisfied, or (2) when such property or obligation is received in good faith to secure a present advance or antecedent debt in an amount not disproportionately small as compared with the value of the property or obligation obtained.

Application of terms.

"(2) Every transfer made and every obligation incurred by a debtor within one year prior to the filing of a petition in bankruptcy or of an original petition under chapter X, XI, XII, or XIII of this Act by or against him is fraudulent (a) as to creditors existing at the time of such transfer or obligation, if made or incurred without fair consideration by a debtor who is or will be thereby rendered insolvent, without regard to his actual intent; or (b) as to then existing creditors and as to other persons who become creditors during the continuance of a business or transaction, if made or incurred without fair consideration by a debtor who is engaged or is about to engage in such business or transaction, for which the property remaining in his hands is an unreasonably small capital, without regard to his actual intent; or (c) as to then existing and future creditors, if made or incurred without fair consideration by a debtor who intends to incur or believes that he will incur debts beyond his ability to pay as they mature; or (d) as to then existing and future creditors, if made or incurred with actual intent, as distinguished from intent presumed in law, to hinder, delay, or defraud either existing or future creditors.

Transfers, etc., by debtor within year prior to filing of petition.

Within four months prior to filing petition to effect preference to third party.  
*Post*, pp. 883, 905, 916, 930.

Remedies of trustee for avoidance cumulative.

*Proviso.*  
 Limitation.

Partnership property transfers and obligations incurred within one year prior to filing petition.

When transfer deemed to have been made.

Purchasers, etc., for fair value.

*Proviso.*  
 Innocent transfers at less than fair value.

Voidable transfers.

*Ante*, p. 869.

Recovery or avoidance, jurisdiction of courts.

Set-offs and counter-claims.

*Ante*, p. 866.

"(3) Every transfer made and every obligation incurred by a debtor within four months prior to the filing of a petition in bankruptcy or of an original petition under chapter X, XI, XII, or XIII of this Act by or against him is fraudulent, as to then existing and future creditors, if made or incurred with intent to use the consideration, obtained for the transfer or obligation, to effect a preference to a third person voidable under section 60 of this Act. The remedies of the trustee for the avoidance of such transfer or obligation and of such preference shall be cumulative: *Provided, however*, That the trustee shall be entitled to only one satisfaction with respect thereto.

"(4) Every transfer of partnership property and every partnership obligation incurred within one year prior to the filing of a petition in bankruptcy or of an original petition under chapter XI or XII of this Act by or against the partnership, when the partnership is insolvent or will be thereby rendered insolvent, is fraudulent as to partnership creditors existing at the time of such transfer or obligation, without regard to actual intent if made or incurred (a) to a partner, whether with or without a promise by him to pay partnership debts, or (b) to a person not a partner without fair consideration to the partnership as distinguished from consideration to the individual partners.

"(5) For the purposes of this subdivision d, a transfer shall be deemed to have been made at the time when it became so far perfected that no bona-fide purchaser from the debtor and no creditor could thereafter have acquired any rights in the property so transferred superior to the rights of the transferee therein, but, if such transfer is not so perfected prior to the filing of the petition in bankruptcy or of the original petition under chapter XI or XII of this Act, it shall be deemed to have been made immediately before the filing of such petition.

"(6) A transfer made or an obligation incurred by a debtor adjudged a bankrupt under this Act, which is fraudulent under this subdivision d against creditors of such debtor having claims provable under this Act, shall be null and void against the trustee, except as to a bona-fide purchaser, lienor, or obligee for a present fair equivalent value: *Provided, however*, That such purchaser, lienor, or obligee, who without actual fraudulent intent has given a consideration less than fair, as defined in this subdivision d, for such transfer, lien, or obligation, may retain the property, lien, or obligation as security for repayment.

"(7) Nothing contained in this subdivision d shall be construed to validate a transfer which is voidable under section 60 of this Act.

"e. For the purpose of any recovery or avoidance under this section, where plenary proceedings are necessary, any State court which would have had jurisdiction if bankruptcy had not intervened and any court of bankruptcy shall have concurrent jurisdiction.

"SEC. 68. SET-OFFS AND COUNTERCLAIMS.—a. In all cases of mutual debts or mutual credits between the estate of a bankrupt and a creditor the account shall be stated and one debt shall be set off against the other, and the balance only shall be allowed or paid.

"b. A set-off or counterclaim shall not be allowed in favor of any debtor of the bankrupt which (1) is not provable against the estate and allowable under subdivision g of section 57 of this Act; or (2) was purchased by or transferred to him after the filing of the petition or within four months before such filing, with a view to such use and with knowledge or notice that such bankrupt was insolvent or had committed an act of bankruptcy.

"SEC. 69. TAKING POSSESSION OF PROPERTY; RECEIVERS.—a. Whenever a petition is filed to have a person adjudged a bankrupt and an application is made to have a receiver or a marshal take charge of the property of the bankrupt, or any part thereof, prior to the adjudication, the applicant shall file in the same court a bond in such amount as the court shall fix, with such surety as the court shall approve, conditioned to indemnify the bankrupt for such costs, counsel fees, expenses, and damages as may be occasioned by such seizure, taking, and detention of such property: *Provided*, That such property shall be released, if the bankrupt shall file a counter-bond in the same court in such amount as the court shall fix, with such surety as the court shall approve, conditioned that he account for and turn over such property or pay the value thereof in money at the time of seizure to the trustee, in the event the adjudication is made.

"b. If the petition for adjudication be dismissed, or withdrawn by the petitioners, the court shall fix and allow to the bankrupt, to be paid by the obligors on such bond, the costs, counsel fees, expenses and damages occasioned by such seizure, taking or detention of his property, in the manner provided by section 50, subdivision n, of this Act.

"c. The judge of any court of bankruptcy which has jurisdiction over a bankrupt's property within its territorial limits may, in aid of a receiver appointed in a bankruptcy proceeding pending in any other court of bankruptcy, appoint for cause shown one or more ancillary receivers. The primary receiver or, if there be more than one primary receiver, then at least one of them, shall be appointed the ancillary receiver, or, if more than one is appointed, one of the ancillary receivers. Ancillary receivers shall be subject to the jurisdiction of the ancillary court, which shall determine and may allow their costs, expenses, and compensation in like manner as provided in the case of receivers.

"d. Upon the filing of a petition under this Act, a receiver or trustee, not appointed under this Act, of any of the property of a bankrupt shall be accountable to the bankruptcy court, in which the proceeding under this Act is pending, for any action taken by him subsequent to the filing of such bankruptcy petition, and shall file in such bankruptcy court a sworn schedule setting forth a summary of the property in his charge and of the liabilities of the estate, both as of the time of and since his appointment, and a sworn statement of his administration of the estate. Such receiver or trustee, with knowledge of the filing of such bankruptcy proceeding, shall not make any disbursements or take any action in the administration of such property without first obtaining authorization therefor from the bankruptcy court.

"SEC. 70. TITLE TO PROPERTY.—a. The trustee of the estate of a bankrupt and his successor or successors, if any, upon his or their appointment and qualification, shall in turn be vested by operation of law with the title of the bankrupt as of the date of the filing of the petition in bankruptcy or of the original petition proposing an arrangement or plan under this Act, except insofar as it is to property which is held to be exempt, to all (1) documents relating to his property; (2) interests in patents, patent rights, copyrights, and trade-marks, and in applications therefor: *Provided*, That in case the trustee, within thirty days after appointment and qualification, does not notify the applicant for a patent, copyright, or trade-mark of his election to prosecute the application to allowance or rejection, the bankrupt may apply to the court for an order revesting him with the title thereto, which petition shall be granted unless for cause shown

Taking possession of property.

Bond.

*Proviso.*  
Release.

Expenses allowed if petition for adjudication dismissed.

*Ante*, p. 864.

Ancillary receivers.

Receiver or trustee not appointed under this Act.

Title to property in trustee.

Exception.

*Provisos.*  
Patents, copyrights, etc.

Rights not vested  
in trustee.

Insurance policies,  
etc.

by the trustee the court grants further time to the trustee for making such election; and such applicant may, in any event, at any time petition the court to be revested with such title in case the trustee shall fail to prosecute such application with reasonable diligence; and the court, upon revesting the bankrupt with such title, shall direct the trustee to execute proper instruments of transfer to make the same effective in law and upon the records; (3) powers which he might have exercised for his own benefit, but not those which he might have exercised solely for some other person; (4) property transferred by him in fraud of his creditors; (5) property, including rights of action, which prior to the filing of the petition he could by any means have transferred or which might have been levied upon and sold under judicial process against him, or otherwise seized, impounded, or sequestered: *Provided*, That rights of action ex delicto for libel, slander, injuries to the person of the bankrupt or of a relative, whether or not resulting in death, seduction, and criminal conversation shall not vest in the trustee unless by the law of the State such rights of action are subject to attachment, execution, garnishment, sequestration, or other judicial process: *And provided further*, That when any bankrupt, who is a natural person, shall have any insurance policy which has a cash surrender value payable to himself, his estate, or personal representatives, he may, within thirty days after the cash surrender value has been ascertained and stated to the trustee by the company issuing the same, pay or secure to the trustee the sum so ascertained and stated, and continue to hold, own, and carry such policy free from the claims of the creditors participating in the distribution of his estate under the bankruptcy proceedings, otherwise the policy shall pass to the trustee as assets; (6) rights of action arising upon contracts, or usury, or the unlawful taking or detention of or injury to his property; (7) contingent remainders, executory devises and limitations, rights of entry for condition broken, rights or possibilities of reverter, and like interests in real property, which were nonassignable prior to bankruptcy and which, within six months thereafter, become assignable interests or estates or give rise to powers in the bankrupt to acquire assignable interests or estates; and (8) property held by an assignee for the benefit of creditors appointed under an assignment which constituted an act of bankruptcy, which property shall, for the purposes of this Act, be deemed to be held by the assignee as the agent of the bankrupt and shall be subject to the summary jurisdiction of the court. All property which vests in the bankrupt within six months after bankruptcy by bequest, devise, or inheritance shall vest in the trustee and his successor and successors, if any, upon his or their appointment and qualification, as of the date when it vested in the bankrupt, and shall be free and discharged from any transfer made or suffered by the bankrupt after bankruptcy. All property in which the bankrupt has at the date of bankruptcy an estate or interest by the entirety and which within six months after bankruptcy becomes transferable in whole or in part solely by the bankrupt shall, to the extent it becomes so transferable, vest in the trustee and his successor and successors, if any, upon his or their appointment and qualification, as of the date of bankruptcy. The title of the trustee shall not be affected by the prior possession of a receiver or other officer of any court.

Executory con-  
tracts, disposition  
within 60 days after  
adjudication.  
*Provided*,  
Time extension or  
reduction.

"b. Within sixty days after the adjudication, the trustee shall assume or reject any executory contract, including unexpired leases of real property: *Provided, however*, That the court may for cause shown extend or reduce such period of time. Any such contract or lease not assumed or rejected within such time, whether or not a

trustee has been appointed or has qualified, shall be deemed to be rejected. A trustee shall file, within sixty days after adjudication, a statement under oath showing which, if any, of the contracts of the bankrupt are executory in whole or in part, including unexpired leases of real property, and which, if any, have been rejected by the trustee: *Provided, however,* That the court may for cause shown extend or reduce such period of time. Unless a lease of real property shall expressly otherwise provide, a rejection of such lease or of any covenant therein by the trustee of the lessor shall not deprive the lessee of his estate. A general covenant or condition in a lease that it shall not be assigned shall not be construed to prevent the trustee from assuming the same at his election and subsequently assigning the same; but an express covenant that an assignment by operation of law or the bankruptcy of a specified party thereto or of either party shall terminate the lease or give the other party an election to terminate the same shall be enforceable. A trustee who elects to assume a contract or lease of the bankrupt and who subsequently, with the approval of the court and upon such terms and conditions as the court may fix after hearing upon notice to the other party to the contract or lease, assigns such contract or lease to a third person, shall not be liable for breaches occurring after such assignment.

Affidavit as to which are executory, etc.

Time extension or reduction.

Assignment of leases.

"c. The trustee may have the benefit of all defenses available to the bankrupt as against third persons, including statutes of limitation, statutes of frauds, usury, and other personal defenses; and a waiver of any such defense by the bankrupt after bankruptcy shall not bind the trustee. The trustee, as to all property in the possession or under the control of the bankrupt at the date of bankruptcy or otherwise coming into the possession of the bankruptcy court, shall be deemed vested as of the date of bankruptcy with all the rights, remedies, and powers of a creditor then holding a lien thereon by legal or equitable proceedings, whether or not such a creditor actually exists; and, as to all other property, the trustee shall be deemed vested as of the date of bankruptcy with all the rights, remedies, and powers of a judgment creditor then holding an execution duly returned unsatisfied, whether or not such a creditor actually exists.

Defenses and powers of trustee.

"d. After bankruptcy and either before adjudication or before a receiver takes possession of the property of the bankrupt, whichever first occurs—

Transfers, etc., after bankruptcy, and before adjudication or before receiver takes over property.

"(1) A transfer of any of the property of the bankrupt, other than real estate, made to a person acting in good faith shall be valid against the trustee if made for a present fair equivalent value or, if not made for a present fair equivalent value, then to the extent of the present consideration actually paid therefor, for which amount the transferee shall have a lien upon the property so transferred;

"(2) A person indebted to the bankrupt or holding property of the bankrupt may, if acting in good faith, pay such indebtedness or deliver such property, or any part thereof, to the bankrupt or upon his order, with the same effect as if the bankruptcy were not pending;

"(3) A person having actual knowledge of such pending bankruptcy shall be deemed not to act in good faith unless he has reasonable cause to believe that the petition in bankruptcy is not well founded;

"(4) The provisions of paragraphs (1) and (2) of this subdivision shall not apply where a receiver or trustee appointed by a United States or State court is in possession of all or the greater portion of the nonexempt property of the bankrupt;



*Proviso.*  
Negotiability of  
currency or negoti-  
able instruments.  
Designated transfer,  
etc., void as against  
trustee of debtor.

Property to remain  
part of assets.

Recovery.

Concurrent jurisdic-  
tion of courts where  
plenary proceedings  
necessary.

Appraisers.

Title to property  
sold.

Trustee vested with  
title whenever an ar-  
rangement or wage-  
earner plan set aside,  
etc.

Disposition of title  
upon confirmation of  
an arrangement, etc.

Clerks' indexes; cer-  
tificates of search;  
dockets.

"(5) A person asserting the validity of a transfer under this subdivision shall have the burden of proof. Except as otherwise provided in this subdivision and in subdivision g of section 21 of this Act, no transfer by or in behalf of the bankrupt after the date of bankruptcy shall be valid against the trustee: *Provided, however,* That nothing in this Act shall impair the negotiability of currency or negotiable instruments.

"e. (1) A transfer made or suffered or obligation incurred by a debtor adjudged a bankrupt under this Act which, under any Federal or State law applicable thereto, is fraudulent as against or voidable for any other reason by any creditor of the debtor, having a claim provable under this Act, shall be null and void as against the trustee of such debtor.

"(2) All property of the debtor affected by any such transfer shall be and remain a part of his assets and estate, discharged and released from such transfer and shall pass to, and every such transfer or obligation shall be avoided by, the trustee for the benefit of the estate. The trustee shall reclaim and recover such property or collect its value from and avoid such transfer or obligation against whomever may hold or have received it, except a person as to whom the transfer or obligation specified in paragraph (1) of this subdivision e is valid under applicable Federal or State laws.

"(3) For the purpose of such recovery or of the avoidance of such transfer or obligation, where plenary proceedings are necessary, any State court which would have had jurisdiction if bankruptcy had not intervened and any court of bankruptcy shall have concurrent jurisdiction.

"f. The court shall appoint a competent and disinterested appraiser and upon cause shown may appoint additional appraisers, who shall appraise all the items of real and personal property belonging to the bankrupt estate and who shall prepare and file with the court their report thereof. Real and personal property shall, when practicable, be sold subject to the approval of the court. It shall not be sold otherwise than subject to the approval of the court for less than 75 per centum of its appraised value. Whenever any sale of real or personal property of any bankrupt is made by or through any auctioneer employed by the court, receiver, or trustee, such auctioneer, if an individual or a partnership, shall be a bona-fide resident and citizen of the judicial district in which the property to be sold is situated, or, if a corporation, shall be lawfully domiciliated and authorized to transact such business in the State in which said judicial district is located.

"g. The title to property of a bankrupt estate which has been sold, as herein provided, shall be conveyed to the purchaser by the trustee.

"h. Whenever an arrangement or wage-earner plan shall be set aside or discharge revoked, the trustee shall, upon his appointment and qualification, be vested as herein provided with the title to all of the property of the bankrupt as of the date of the final decree setting aside the arrangement or wage-earner plan or revoking the discharge.

"i. Upon the confirmation of an arrangement or plan, or at such later time as may be provided by the arrangement or plan, or in the order confirming the arrangement or plan, the title to the property dealt with shall revert in the bankrupt or debtor, or vest in such other person as may be provided by the arrangement or plan or in the order confirming the arrangement or plan.

"SEC. 71. CLERKS' INDEXES; CERTIFICATES OF SEARCH; DOCKETS.—The clerks of the several district courts of the United States shall prepare and keep in their respective offices complete and convenient

indexes of all proceedings and discharges under this Act heretofore or hereafter filed in the said courts and shall, when requested so to do, issue certificates of search certifying as to whether or not any such proceedings or discharges have been filed. The clerks shall be entitled to receive for such certificates the same fees as may be allowed by law for certificates as to judgments in such courts. Such indexes and dockets shall at all times be open to inspection and examination by all persons without any fee or charge therefor.

"SEC. 72. LIMITATION OF COMPENSATION OF OFFICERS OF COURT.—No referee, receiver, marshal, or trustee shall in any form or guise receive, nor shall the court allow him, any other or further compensation for his services as required by this Act than that expressly authorized and prescribed in this Act.

Limitation of compensation of officers of court.

## "CHAPTER X—CORPORATE REORGANIZATIONS

Chapter X—Corporate Reorganizations.

### "ARTICLE I—CONSTRUCTION

Construction.

"SEC. 101. The provisions of this chapter shall apply exclusively to proceedings under this chapter.

Application of provisions.

"SEC. 102. The provisions of chapters I to VII, inclusive, of this Act shall, insofar as they are not inconsistent or in conflict with the provisions of this chapter, apply in proceedings under this chapter: *Provided, however,* That section 23, subdivisions h and n of section 57, section 64, and subdivision f of section 70, shall not apply in such proceedings unless an order shall be entered directing that bankruptcy be proceeded with pursuant to the provisions of chapters I to VII, inclusive. For the purposes of such application, provisions relating to 'bankrupts' shall be deemed to relate also to 'debtors', and 'bankruptcy proceedings' or 'proceedings in bankruptcy' shall be deemed to include proceedings under this chapter. For the purposes of such application the date of the filing of the petition in bankruptcy shall be taken to be the date of the filing of an original petition under section 128 of this Act, and the date of adjudication shall be taken to be the date of approval of a petition filed under section 127 or 128 of this Act except where an adjudication had previously been entered.

*Proriso.*  
Certain sections inapplicable to proceedings; exception.  
*Ante*, pp. 854, 866, 867, 874, 882.

Terms construed.

*Post*, p. 886.

### "ARTICLE II—DEFINITIONS

"SEC. 106. For the purposes of this chapter, unless inconsistent with the context—

Definitions.

"(1) 'claims' shall include all claims of whatever character against a debtor or its property, except stock, whether or not such claims are provable under section 63 of this Act and whether secured or unsecured, liquidated or unliquidated, fixed or contingent;

"Claims."

"(2) 'commission' shall mean any commission or public authority created by any law of the United States or of any State, having regulatory jurisdiction over a public-utility corporation;

*Ante*, p. 873.

"Commission."

"(3) 'corporation' shall mean a corporation, as defined in this Act, which could be adjudged a bankrupt under this Act, and any railroad corporation excepting a railroad corporation authorized to file a petition under section 77 of this Act;

"Corporation."

"(4) 'creditor' shall mean the holder of any claim;

"Creditor."

"(5) 'debtor' shall mean a corporation by or against which a petition has been filed under this chapter;

"Debtor."

"(6) 'debts' shall include all claims;

"Debts."

"(7) 'executory contracts' shall include unexpired leases of real property;

"Executory contracts."

"(8) 'indenture trustee' shall mean a trustee under a mortgage, deed of trust, or indenture, pursuant to which there are securities outstand-

"Indenture trustee."

ing, other than voting-trust certificates, constituting claims against a debtor or claims secured by a lien upon any of its property;

"Petition."

"(9) 'petition' shall mean a petition filed under this chapter by a debtor, creditors, or indenture trustee proposing that a plan of reorganization be effected;

"Plan."

"(10) 'plan' shall mean a plan of reorganization proposed in a proceeding under this chapter;

"Securities."

"(11) 'securities' shall include notes, bonds, and other evidences of indebtedness, either secured or unsecured, and stock;

"Stock."

"(12) 'stock' shall include membership, shares, and similar interests in a debtor, certificates and other evidences of such membership, shares or interests, and voting-trust certificates;

"Subsidiary."

"(13) 'subsidiary' shall mean a corporation substantially all of whose properties are operated under lease or operating agreement, or the majority of whose stock having power to vote for the election of directors, trustees, or other similar controlling bodies is owned, directly or indirectly, through an intervening corporation or other medium, by another parent corporation, a petition by or against which has been approved.

Classes affected by a plan.

"SEC. 107. Creditors or stockholders or any class thereof shall be deemed to be 'affected' by a plan only if their or its interest shall be materially and adversely affected thereby. In the event of controversy, the court shall after hearing upon notice summarily determine whether any creditor or stockholder or class is so affected.

### "ARTICLE III—JURISDICTION AND POWERS OF COURT

Jurisdiction and powers of court.

"SEC. 111. Where not inconsistent with the provisions of this chapter, the court in which a petition is filed shall, for the purposes of this chapter, have exclusive jurisdiction of the debtor and its property, wherever located.

Prior to approval of petition.

"SEC. 112. Prior to the approval of a petition, the jurisdiction, powers, and duties of the court and of its officers, where not inconsistent with the provisions of this chapter, shall be the same as in a bankruptcy proceeding before adjudication.

Temporary stays of proceedings.

"SEC. 113. Prior to the approval of a petition, the judge may upon cause shown grant a temporary stay, until the petition is approved or dismissed, of a prior pending bankruptcy, mortgage foreclosure or equity receivership proceeding and of any act or other proceeding to enforce a lien against a debtor's property, and may upon cause shown enjoin or stay until the petition is approved or dismissed the commencement or continuation of a suit against a debtor.

Upon approval of petition.

"SEC. 114. Upon the approval of a petition, the jurisdiction, powers, and duties of the court and of its officers, where not inconsistent with the provisions of this chapter, shall be the same as in a bankruptcy proceeding upon adjudication.

Additional powers of court.

"SEC. 115. Upon the approval of a petition, the court shall have and may, in addition to the jurisdiction, powers, and duties hereinabove and elsewhere in this chapter conferred and imposed upon it, exercise all the powers, not inconsistent with the provisions of this chapter, which a court of the United States would have if it had appointed a receiver in equity of the property of the debtor on the ground of insolvency or inability to meet its debts as they mature.

Additional powers of judge.

"SEC. 116. Upon the approval of a petition, the judge may, in addition to the jurisdiction, powers, and duties hereinabove and elsewhere in this chapter conferred and imposed upon him and the court—

"(1) permit the rejection of executory contracts of the debtor, except contracts in the public authority, upon notice to the parties to such contracts and to such other parties in interest as the judge may designate;

Rejection of executory contracts; exception.

"(2) authorize a receiver, trustee, or debtor in possession, upon such notice as the judge may prescribe and upon cause shown, to issue certificates of indebtedness for cash, property, or other consideration approved by the judge, upon such terms and conditions and with such security and priority in payment over existing obligations, secured or unsecured, as in the particular case may be equitable;

Issuance of certificates of indebtedness.

"(3) authorize a receiver or a trustee or a debtor in possession, upon such notice as the judge may prescribe and upon cause shown, to lease or sell any property of the debtor, whether real or personal, upon such terms and conditions as the judge may approve; and

Sale or lease of debtor's property.

"(4) in addition to the relief provided by section 11 of this Act, enjoin or stay until final decree the commencement or continuation of a suit against the debtor or its trustee or any act or proceeding to enforce a lien upon the property of the debtor.

Enjoin or stay proceedings against debtor's property.  
*Ante*, p. 849.

"SEC. 117. The judge may, at any stage of a proceeding under this chapter, refer the proceeding to a referee in bankruptcy to hear and determine any or all matters not reserved to the judge by the provisions of this chapter, or he may refer the proceeding to a special master, who may be a referee in bankruptcy, to hear and report generally or upon specified matters. The appointment of a receiver in a proceeding under this chapter shall be by the judge.

Reference of proceeding to referee or special master.

"SEC. 118. The judge may transfer a proceeding under this chapter to a court of bankruptcy in any other district, regardless of the location of the principal assets of the debtor or its principal place of business, if the interests of the parties will be best served by such transfer.

Appointment of receiver.

Transfer of proceeding to a court of bankruptcy in another district.

"SEC. 119. Whenever under this chapter the court is required or permitted to fix a time for any purpose, the court may upon cause shown extend such time.

Time extensions.

"SEC. 120. Whenever notice is to be given under this chapter, the court shall designate, if not otherwise specified hereunder, the time within which, the persons to whom, and the form and manner in which the notice shall be given. Any notice to be given under this chapter may be combined, whenever feasible, with any other notice or notices to be given under this chapter.

Designation of time, form, manner of notices.

"SEC. 121. Where not inconsistent with the provisions of this chapter, the jurisdiction of appellate courts shall be the same as in a bankruptcy proceeding.

Appellate court jurisdiction.

#### "ARTICLE IV—PETITION

"SEC. 126. A corporation, or three or more creditors who have claims against a corporation or its property amounting in the aggregate to \$5,000 or over, liquidated as to amount and not contingent as to liability, or an indenture trustee where the securities outstanding under the indenture are liquidated as to amount and not contingent as to liability, may, if no other petition by or against such corporation is pending under this chapter, file a petition under this chapter.

Petition.

Who may file.

"SEC. 127. A petition may be filed in a pending bankruptcy proceeding either before or after the adjudication of a corporation.

Pending proceedings, filing of petitions.

If no bankruptcy proceeding pending.

"SEC. 128. If no bankruptcy proceeding is pending, an original petition may be filed with the court in whose territorial jurisdiction the corporation has had its principal place of business or its principal assets for the preceding six months or for a longer portion of the preceding six months than in any other jurisdiction.

If a subsidiary.

"SEC. 129. If a corporation be a subsidiary, an original petition by or against it may be filed either as provided in section 128 of this Act or in the court which has approved the petition by or against its parent corporation.

Contents of petition.

"SEC. 130. Every petition shall state—

"(1) that the corporation is insolvent or unable to pay its debts as they mature;

"(2) the applicable jurisdictional facts requisite under this chapter;

"(3) the nature of the business of the corporation;

"(4) the assets, liabilities, capital stock, and financial condition of the corporation;

"(5) the nature of all pending proceedings affecting the property of the corporation known to the petitioner or petitioners and the courts in which they are pending;

"(6) the status of any plan of reorganization, readjustment, or liquidation affecting the property of the corporation, pending either in connection with or without any judicial proceeding;

"(7) the specific facts showing the need for relief under this chapter and why adequate relief cannot be obtained under chapter XI of this Act; and

"(8) the desire of the petitioner or petitioners that a plan be effected.

Creditors' or indenture trustee's petition, contents.

"SEC. 131. A creditors' or indenture trustee's petition shall, in addition to the allegations required by section 130 of this Act, state—

"(1) that the corporation was adjudged a bankrupt in a pending proceeding in bankruptcy; or

"(2) that a receiver or trustee has been appointed for or has taken charge of all or the greater portion of the property of the corporation in a pending equity proceeding; or

"(3) that an indenture trustee or a mortgagee under a mortgage is, by reason of a default, in possession of all or the greater portion of the property of the corporation; or

"(4) that a proceeding to foreclose a mortgage or to enforce a lien against all or the greater portion of the property of the corporation is pending; or

"(5) that the corporation has committed an act of bankruptcy within four months prior to the filing of the petition.

Filing fee.

"SEC. 132. The filing of a petition under this chapter shall be accompanied by payment to the clerk of a filing fee of \$100 if no bankruptcy proceeding is pending, otherwise \$70. Where \$100 has been paid and an adjudication is entered under this chapter, \$30 thereof shall be distributed by the clerk as in the case of a bankruptcy proceeding; but, if the proceeding under this chapter is dismissed and no order of adjudication is entered thereunder, such sum of \$30 shall be refunded to the person paying it.

Refund if proceeding dismissed.

Copy of petition and subpoena to be served upon debtor.

"SEC. 133. Upon the filing of a petition by creditors or an indenture trustee, a copy thereof, together with a subpoena returnable within ten days or such longer time as the court for cause shown may have fixed, shall be served upon the debtor, as provided in subdivision a of section 18 of this Act for service of a petition and subpoena for involuntary bankruptcy.

*Ante*, p. 851.

## "ARTICLE V—ANSWER

Answer.

"SEC. 136. Within ten days after the service of the subpoena and of a copy of the petition, or within such further time as the court may for cause shown allow, an answer controverting the facts alleged in the petition may be filed by the debtor.

Period allowed.

"SEC. 137. Prior to the first date set for the hearing provided in section 161 of this Act, an answer controverting the allegations of a petition by or against a debtor may be filed by any creditor or indenture trustee or, if the debtor is not insolvent, by any stockholder of the debtor.

Filing of answer  
controverting allega-  
tions.  
*Post*, p. 889.

## "ARTICLE VI—APPROVAL OR DISMISSAL OF PETITION

Approval or dis-  
missal of petition.

"SEC. 141. Upon the filing of a petition by a debtor, the judge shall enter an order approving the petition, if satisfied that it complies with the requirements of this chapter and has been filed in good faith, or dismissing it if not so satisfied.

Conditions upon  
which judge may ap-  
prove or dismiss deb-  
tor's petition.

"SEC. 142. If an answer is not filed by a debtor to a petition against it, or if the answer filed does not controvert any material allegation of the petition, the judge shall enter an order approving the petition if satisfied that it complies with the requirements of this chapter and has been filed in good faith, or dismissing it if not so satisfied.

Action if no answer  
is filed by debtor, etc.

"SEC. 143. If the answer of a debtor shall controvert any of the material allegations of the petition, the judge shall, as soon as may be, determine, without the intervention of a jury, the issues presented by the pleadings and enter an order approving the petition, if satisfied that it complies with the requirements of this chapter and has been filed in good faith and that the material allegations are sustained by the proofs, or dismissing it if not so satisfied.

If debtor contro-  
verts material allega-  
tions.

"SEC. 144. If an answer filed by any creditor, indenture trustee, or stockholder shall controvert any of the material allegations of the petition, the judge shall, as soon as may be, determine, without the intervention of a jury, the issues presented by the pleadings and enter an order approving the petition, if satisfied that it complies with the requirements of this chapter and has been filed in good faith and that the material allegations are sustained by the proofs, or dismissing it if not so satisfied.

If creditor, etc., con-  
troverts material allega-  
tions.

"SEC. 145. If any issue raised in an answer filed under section 136 or 137 of this Act has, after hearing upon notice to the debtor, creditors, indenture trustees, and stockholders entitled to controvert the allegations of the petition, already been tried and finally determined under the provisions of section 143 or 144 of this Act, such final determination shall be conclusive for all purposes under this chapter.

Conclusiveness of  
final determination of  
issues.

"SEC. 146. Without limiting the generality of the meaning of the term 'good faith', a petition shall be deemed not to be filed in good faith if—

Petitions deemed  
not filed in good faith.

"(1) the petitioning creditors have acquired their claims for the purpose of filing the petition; or

"(2) adequate relief would be obtainable by a debtor's petition under the provisions of chapter XI of this Act; or

"(3) it is unreasonable to expect that a plan of reorganization can be effected; or

"(4) a prior proceeding is pending in any court and it appears that the interests of creditors and stockholders would be best sub-  
served in such prior proceeding.

*Post*, p. 905.

Petitions improperly filed under this chapter, disposition.  
*Post*, p. 905.

"SEC. 147. A petition filed under this chapter improperly because adequate relief can be obtained by the debtor under chapter XI of this Act may, upon the application of the debtor, be amended to comply with the requirements of chapter XI for the filing of a debtor's petition, and shall thereafter for the purposes of chapter XI be deemed to have been originally filed thereunder.

Approving order as stay of pending bankruptcy, etc., proceeding.

"SEC. 148. Until otherwise ordered by the judge, an order approving a petition shall operate as a stay of a prior pending bankruptcy, mortgage foreclosure, or equity receivership proceeding, and of any act or other proceeding to enforce a lien against the debtor's property.

Determination of jurisdiction.

"SEC. 149. An order, which has become final, approving a petition filed under this chapter shall be a conclusive determination of the jurisdiction of the court.

Proceedings subsequent to approval of petition.

#### "ARTICLE VII—PROCEEDINGS SUBSEQUENT TO APPROVAL OF PETITION

Trustees, appointment if debtor's indebtedness is \$250,000 or over.

"SEC. 156. Upon the approval of a petition, the judge shall, if the indebtedness of a debtor, liquidated as to amount and not contingent as to liability, is \$250,000 or over, appoint one or more trustees. Any trustee appointed under this chapter shall be disinterested and shall have the qualifications prescribed in section 45 of this Act, except that the trustee need not reside or have his office within the district. If such indebtedness is less than \$250,000, the judge may appoint one or more such trustees or he may continue the debtor in possession. In any case where a trustee is appointed the judge may, for the purposes specified in section 189 of this Act, appoint as an additional trustee a person who is a director, officer, or employee of the debtor.

*Ante*, p. 860.

If less than \$250,000.

Additional trustee, appointment.  
*Post*, p. 892.

Disinterestedness of trustee's attorney.

*Proviso.*  
Exception.

"SEC. 157. An attorney appointed to represent a trustee under this chapter shall also be a disinterested person: *Provided, however*, That for any specified purposes other than to represent a trustee in conducting the proceeding under this chapter the trustee may, with the approval of the judge, employ an attorney who is not disinterested.

Persons not deemed disinterested.

"SEC. 158. A person shall not be deemed disinterested, for the purposes of section 156 and section 157 of this Act, if—

"(1) he is a creditor or stockholder of the debtor; or

"(2) he is or was an underwriter of any of the outstanding securities of the debtor or within five years prior to the date of the filing of the petition was the underwriter of any securities of the debtor; or

"(3) he is, or was within two years prior to the date of the filing of the petition, a director, officer, or employee of the debtor or any such underwriter, or an attorney for the debtor or such underwriter; or

"(4) it appears that he has, by reason of any other direct or indirect relationship to, connection with, or interest in the debtor or such underwriter, or for any reason an interest materially adverse to the interests of any class of creditors or stockholders.

Where indebtedness of debtor less than \$250,000, powers of judge.

"SEC. 159. Where the indebtedness of a debtor is less than \$250,000, the judge may at any time terminate the appointment of a trustee and restore the debtor to the possession of its property, or, if the debtor has been continued in possession, terminate its possession and appoint a trustee.

Trustees, appointment of additional or substitute; removal.

"SEC. 160. In any case, the judge at any time, without or upon cause shown, may appoint additional trustees or remove trustees and appoint substitute trustees.

"SEC. 161. The judge shall fix a time of hearing, to be held not less than thirty days and not more than sixty days after the approval of the petition, of which hearing at least thirty days' notice shall be given by mail to the creditors, stockholders, indenture trustees, the Securities and Exchange Commission and such other persons as the judge may designate, and, if directed by the judge, by publication in such newspaper or newspapers of general circulation as the judge may designate.

Hearing.

"SEC. 162. At the hearing required by section 161 of this Act, or at any adjournment thereof, or, upon application, at any other time, the judge may hear objections to the continuance of the debtor in possession, or to the retention in office of a trustee upon the ground that he is not qualified or not disinterested as provided in section 158 of this Act.

Function of hearing, etc.

"SEC. 163. Upon the approval of a petition, where the debtor is continued in possession, the debtor shall, at the expense of the estate, prepare, make oath to, and file in court, within such time as the court shall fix—

Filing of schedules.

"(1) a schedule of its property, showing the location, quantity, and money value thereof;

"(2) a schedule of its creditors of each class, showing the amounts and character of their claims and securities and, so far as known, the name and post-office address or place of business of each creditor; and

"(3) a schedule of its stockholders of each class showing the number and kind of shares registered in the name of each stockholder, and the last-known post-office address or place of business of each stockholder.

"SEC. 164. Upon the approval of a petition, where a debtor is not continued in possession, the court shall fix a time within which the trustee shall prepare and file in court a list of the creditors of each class, showing the amounts and character of their claims and securities and, so far as known, the name and the post-office address or place of business of each creditor; and a list of the debtor's stockholders of each class, showing the number and kind of shares registered in the name of each stockholder and the last-known post-office address or place of business of each stockholder.

List of creditors and stockholders of the debtor.

"SEC. 165. If in any case it appears that a person, other than the debtor or its trustee, has in his possession or under his control a list of security holders of the debtor or information in respect to their names, addresses, or the securities held by any of them, and such list or information is necessary in order to disclose the names and addresses of the beneficial owners of such securities, or to prepare or complete the schedules required to be filed under section 163 of this Act or the lists required to be filed under section 164 of this Act, the court shall direct such person, after a hearing upon notice to him, to produce such list or a true and correct copy thereof, or to furnish such information, or to permit the inspection or use thereof, as may be deemed by the court necessary for the foregoing purposes.

Duty of other persons to disclose such lists, etc.

"SEC. 166. The court may, upon cause shown, direct the impounding of the schedules, lists, copies, or information filed under sections 163, 164, and 165 of this Act, but shall permit their inspection or use by the trustee, any indenture trustee or any creditor or stockholder upon such terms as the court may prescribe: *Provided*, That the court may refuse to permit such inspection by any creditor or stockholder who acquired his claim or stock within three months preceding the filing of the petition under this chapter or during the pendency of the proceeding.

Use of lists, etc., by trustee, creditor, or stockholder.

*Provido.*  
Refusal of permission to inspect.



Duties and functions of trustee.  
Investigation of debtor's liabilities, etc.

Examination of directors and officers, etc.

Report to judge of fraud, etc.

Assistance to trustee.

Preparation of statement of investigation of property, etc.

Submission of suggestions by creditors, etc.

Examiner; functions.

Fixing of time by judge for preparation and filing of plan by trustee, etc.

Plans when debtor is continued in possession.

Hearing.

Notice of hearing to all parties in interest.

Examination and report on plans by Securities and Exchange Commission.

"SEC. 167. The trustee upon his appointment and qualification—

"(1) shall, if the judge shall so direct, forthwith investigate the acts, conduct, property, liabilities, and financial condition of the debtor, the operation of its business and the desirability of the continuance thereof, and any other matter relevant to the proceeding or to the formulation of a plan, and report thereon to the judge;

"(2) may, if the judge shall so direct, examine the directors and officers of the debtor and any other witnesses concerning the foregoing matters or any of them;

"(3) shall report to the judge any facts ascertained by him pertaining to fraud, misconduct, mismanagement and irregularities, and to any causes of action available to the estate;

"(4) may, subject to the approval of the judge, employ such person or persons as the judge may deem necessary for the purpose of assisting the trustee in performing the duties imposed upon him under this chapter;

"(5) shall, at the earliest date practicable, prepare and submit a brief statement of his investigation of the property, liabilities, and financial condition of the debtor, the operation of its business and the desirability of the continuance thereof, in such form and manner as the judge may direct, to the creditors, stockholders, indenture trustees, the Securities and Exchange Commission, and such other persons as the judge may designate; and

"(6) shall give notice to the creditors and stockholders that they may submit to him suggestions for the formulation of a plan, or proposals in the form of plans, within a time therein named.

"SEC. 168. If a debtor is continued in possession, the judge may at any time appoint a disinterested person as examiner to prepare and file a plan and to perform the duties imposed upon a trustee under paragraphs (1) to (5), inclusive, of section 167 of this Act, or to perform any of such duties.

"SEC. 169. Where a trustee has been appointed the judge shall fix a time within which the trustee shall prepare and file a plan, or a report of his reasons why a plan cannot be effected, and shall fix a subsequent time for a hearing on such plan or report and for the consideration of any objections which may be made or of such amendments or plans as may be proposed by the debtor or by any creditor or stockholder.

"SEC. 170. Where a debtor is continued in possession, a plan or plans may be filed, within a time fixed by the judge—

"(1) by the debtor;

"(2) by any creditor or indenture trustee;

"(3) by any stockholder, if the debtor is not found to be insolvent;

"(4) by the examiner, if so directed by the judge. The judge shall fix a subsequent time for a hearing on such plans and for the consideration of any objections or amendments thereto.

"SEC. 171. Notice of the time of any hearing, as provided in section 169 or section 170 of this Act, shall be given to the debtor, the creditors and stockholders, the indenture trustees, the Secretary of the Treasury, the Securities and Exchange Commission, and such other persons as the court may designate. The judge may, upon the application of the trustee, any creditor, indenture trustee, or stockholder, advance the time of such hearing.

"SEC. 172. After the hearing, as provided in section 169 or section 170 of this Act, and before the approval of any plan, as provided in section 174 of this Act, the judge may, if the scheduled indebtedness of the debtor does not exceed \$3,000,000, and shall, if such indebtedness exceeds \$3,000,000, submit to the Securities and Exchange Commission for examination and report the plan or plans

which the judge regards as worthy of consideration. Such report shall be advisory only.

"SEC. 173. The judge shall not enter an order approving a plan submitted to the Securities and Exchange Commission until after the Securities and Exchange Commission has filed its report thereon or has notified the judge that it will not file a report, or until the expiration of such reasonable time for the filing of such report as the judge has fixed, whichever first occurs.

Report, etc., by Commission before approval of plan.

"SEC. 174. After the hearing, as provided in section 169 or section 170 of this Act, and, if a plan has been submitted to the Securities and Exchange Commission, as provided in section 172 of this Act, then after the filing of the report or notice that it will not be filed, or after the expiration of the time for its filing, whichever first occurs, the judge shall enter an order approving the plan or plans which in his opinion comply with the provisions of section 216 of this Act, and which are fair and equitable, and feasible, and shall fix a time within which the creditors and stockholders affected thereby may accept the same.

Procedure for approval, etc., of plans.

"SEC. 175. Upon the approval of a plan by the judge, the trustee or the debtor in possession shall transmit, by mail or otherwise, to all creditors and stockholders who are affected by any such plan—

Post, p. 895.

"(1) the plan or plans so approved, together with a summary thereof approved by the judge;

Transmission to creditors and stockholders of approved plan, etc.

"(2) the opinion of the judge, if any, approving the plan, or plans, or a summary thereof approved by the judge;

"(3) the report, if any, filed in the proceeding by the Securities and Exchange Commission, as provided in section 172 of this Act, or a summary thereof prepared by the Securities and Exchange Commission; and

"(4) such other matters as the judge may deem necessary or desirable for the information of creditors and stockholders.

"SEC. 176. No person shall, without the consent of the court, solicit any acceptance, conditional or unconditional, of any plan, or any authority, conditional or unconditional, to accept any plan, whether by proxy, deposit, power of attorney or otherwise, until after the entry of an order approving such plan and the transmittal thereof to the creditors and stockholders, as provided in section 175 of this Act; and any such authority or acceptance given, procured, or received by reason of a solicitation prior to such approval and transmittal shall be invalid, unless such consent of the court has been so obtained.

Solicitation of acceptances of plan.

"SEC. 177. In case a debtor is a public-utility corporation, subject to the jurisdiction of a commission having regulatory jurisdiction over the debtor, a plan shall not be approved, as provided in section 174 of this Act, until—

Approval of plan if debtor is public-utility corporation.

"(1) it shall have been submitted to each such commission;

"(2) an opportunity shall have been afforded each such commission to suggest amendments or offer objections to the plan; and

"(3) the judge shall have considered such amendments or objections at a hearing at which such commission may be heard.

"SEC. 178. In case a debtor is a public utility corporation, wholly intrastate, subject to the jurisdiction of a State commission having regulatory jurisdiction over such debtor, a plan shall not be approved, as provided in section 174 of this Act, unless such State commission shall have first certified its approval of such plan as to the public interest therein and the fairness thereof. Upon its failure to certify its approval or disapproval within thirty days, or such further time as the court may prescribe, after the submission of the plan to it, as provided in section 177 of this Act, the public interest shall, for the

Intrastate public utilities, approval of plan by State commission.

Hearing for consideration of confirmation of plan after acceptance.

purposes of such approval and of the confirmation of the plan, not be deemed to be affected by the plan.

"SEC. 179. After a plan has been accepted in writing, filed in court, by or on behalf of creditors holding two-thirds in amount of the claims filed and allowed of each class, and, if the debtor has not been found to be insolvent, by or on behalf of stockholders holding the majority of stock, of which proofs have been filed and allowed, of each class, exclusive of creditors or stockholders or of any class of them who are not affected by the plan or whose claims or stock are disqualified pursuant to section 203 of this Act, or for whom payment or protection has been provided as prescribed in paragraphs (7) and (8) of section 216 of this Act, the judge shall fix a hearing, upon notice to the debtor, creditors, stockholders, indenture trustees, the Secretary of the Treasury, the Securities and Exchange Commission, and such other persons as the judge may designate, for the consideration of the confirmation of the plan and of such objections as may be made to the confirmation.

Order of approval not to affect right to object to confirmation.

"SEC. 180. The order of the judge approving a plan, as provided in section 174 of this Act, shall not affect the right of the debtor, a creditor, indenture trustee, or stockholder to object to the confirmation of the plan.

Title, rights, and powers of trustees and debtors in possession.

#### "ARTICLE VIII—TITLE, RIGHTS, AND POWERS OF TRUSTEES AND DEBTORS IN POSSESSION

Title of trustee.  
*Ante*, p. 860.

"SEC. 186. A trustee, upon his appointment and qualification, shall be vested with such title as a trustee appointed under section 44 of this Act would have.

Rights, powers, and duties of trustee.

"SEC. 187. Where not inconsistent with the provisions of this chapter, a trustee, upon his appointment and qualification, shall be vested with the same rights, be subject to the same duties, and exercise the same powers as a trustee appointed under section 44 of this Act, and, if authorized by the judge, shall have and may exercise such additional rights and powers as a receiver in equity would have if appointed by a court of the United States for the property of the debtor.

Exercise of powers as receiver in equity.

Title, rights, duties, and powers of debtor continued in possession.

"SEC. 188. A debtor continued in possession of its property shall have all the title, be vested with all the rights, be subject to all the duties, and exercise all the powers of a trustee appointed under this chapter, subject, however, at all times to the control of the judge and to such limitations, restrictions, terms, and conditions as the judge may from time to time prescribe.

Operation of debtor's business and management of property.

"SEC. 189. A trustee or debtor in possession, upon authorization by the judge, shall operate the business and manage the property of the debtor during such period, limited or indefinite, as the judge may from time to time fix, and during such operation or management shall file reports thereof with the court at such intervals as the court may designate.

Reports and summaries.

"SEC. 190. The reports of the trustee or debtor in possession shall be in such form and contain such information as the court may prescribe and shall at all times be open to the examination of any party in interest. The court shall direct copies or summaries of annual reports, and may direct copies or summaries of other reports, to be mailed to the creditors, stockholders, and indenture trustees, and may also direct the publication of summaries of any such reports in such newspaper or newspapers of general circulation as the court may designate. The Securities and Exchange Commission may recommend the form of such reports and summaries.

"SEC. 191. A trustee or debtor in possession may employ officers of the debtor at rates of compensation to be approved by the court. No person shall become an officer or director of the debtor, to fill a vacancy or otherwise, without the prior approval of the court.

Officers of the debtor, employment.

#### "ARTICLE IX—CREDITORS AND STOCKHOLDERS

"SEC. 196. After the approval of the petition the judge shall prescribe the manner in which and fix a time within which the proofs of claim of creditors and of the interests of stockholders may be filed and allowed. Objections by any party in interest to the allowance of any such claims or interests shall be heard and summarily determined by the court.

Creditors and stockholders.

Manner and time of filing and allowance of claims and interests.

Determination of objections.

"SEC. 197. For the purposes of the plan and its acceptance, the judge shall fix the division of creditors and stockholders into classes according to the nature of their respective claims and stock. For the purposes of such classification, the judge shall, if necessary, upon the application of the trustee, the debtor, any creditor, or an indenture trustee, fix a hearing upon notice to the holders of secured claims, the debtor, the trustee, and such other persons as the judge may designate, to determine summarily the value of the security and classify as unsecured the amount in excess of such value.

Division of creditors and stockholders into classes.

"SEC. 198. An indenture trustee may file claims for all holders, known or unknown, of securities issued pursuant to the instrument under which he is trustee, who have not filed claims: *Provided, however,* That in computing the majority necessary for the acceptance of the plan only the claims filed by the holders thereof, and allowed, shall be included.

Filing of claims by indenture trustees.

*Proviso.*  
Claims included.

"SEC. 199. If the United States is a secured or unsecured creditor or stockholder of a debtor, the claims or stock thereof shall be deemed to be affected by a plan under this chapter, and the Secretary of the Treasury is hereby authorized to accept or reject a plan in respect of the claims or stock of the United States. If, in any proceeding under this chapter, the United States is a secured or unsecured creditor on claims for taxes or customs duties (whether or not the United States has any other interest in, or claim against the debtor, as secured or unsecured creditor or stockholder), no plan which does not provide for the payment thereof shall be confirmed by the judge except upon the acceptance of a lesser amount by the Secretary of the Treasury certified to the court: *Provided,* That if the Secretary of the Treasury shall fail to accept or reject a plan for more than ninety days after receipt of written notice so to do from the court to which the plan has been proposed, accompanied by a certified copy of the plan, his consent shall be conclusively presumed.

Where United States is a secured or unsecured creditor, etc.

*Proviso.*  
Presumption of approval.

"SEC. 200. Where not inconsistent with the provisions of this chapter, the rights, duties, and liabilities of creditors and of all other persons with respect to the property of the debtor shall be the same, before the approval of the petition, as in a bankruptcy proceeding before adjudication and, upon the approval of the petition, as in a bankruptcy proceeding upon adjudication.

Rights, duties, etc., of creditors before and after approval of petition.

"SEC. 201. All claims arising after the filing of a petition under this chapter and before the qualification of a receiver or trustee or before the petition is approved and the debtor continued in possession, whichever first occurs, shall be provable.

Proving of claims arising after filing of petition, etc.

"SEC. 202. In case an executory contract shall be rejected pursuant to the provisions of a plan or to the permission of the court given in a proceeding under this chapter, or shall have been rejected by

Rejected executory contracts; status of person injured.

Limitation on claim of landlord.	<p>a trustee or receiver in bankruptcy or receiver in equity in a prior pending proceeding, any person injured by such rejection shall, for the purposes of this chapter and of the plan, its acceptance and confirmation, be deemed a creditor. The claim of the landlord for injury resulting from the rejection of an unexpired lease of real estate or for damages or indemnity under a covenant contained in such lease shall be provable, but shall be limited to an amount not to exceed the rent, without acceleration, reserved by such lease for the three years next succeeding the date of the surrender of the premises to the landlord or the date of reentry of the landlord, whichever first occurs, whether before or after the filing of the petition, plus unpaid accrued rent, without acceleration, up to such date of surrender or reentry: <i>Provided</i>, That the court shall scrutinize the circumstances of an assignment of a future rent claim and the amount of the consideration paid for such assignment in determining the amount of damages allowed the assignee thereof.</p>
<i>Proviso.</i> Assignee of future rent claim, damages.	<p>"SEC. 203. If the acceptance or failure to accept a plan by the holder of any claim or stock is not in good faith, in the light of or irrespective of the time of acquisition thereof, the judge may, after hearing upon notice, direct that such claim or stock be disqualified for the purpose of determining the requisite majority for the acceptance of a plan.</p>
If acceptance or failure to accept plan is not in good faith.	<p>"SEC. 204. Upon distribution, as provided in section 224 of this Act, the judge may, upon notice to all persons affected, fix a time, to expire not sooner than five years after the final decree closing the estate, within which, as provided in the plan or final decree—</p>
Fixing of time for release of claims, etc. <i>Post</i> , p. 893.	<p>"(1) the creditors, other than holders of securities, shall file, assign, transfer, or release their claims; and</p>
	<p>"(2) the holders of securities shall present or surrender their securities. After such time no such claim or stock shall participate in the distribution under the plan.</p>
Unclaimed securities, etc., disposition.	<p>"SEC. 205. The securities or cash remaining unclaimed at the expiration of the time fixed as provided in section 204 of this Act, or of any extension thereof, shall become the property of the debtor or of the new corporation acquiring the assets of the debtor under the plan, as the case may be, free and clear of any and all claims and interests.</p>
Hearings.	<p>"SEC. 206. The debtor, the indenture trustees, and any creditor or stockholder of the debtor shall have the right to be heard on all matters arising in a proceeding under this chapter. The judge may, for cause shown, permit a labor union or employees' association, representative of employees of the debtor, to be heard on the economic soundness of the plan affecting the interests of the employees.</p>
Labor unions, etc.	<p>"SEC. 207. The judge may for cause shown permit a party in interest to intervene generally or with respect to any specified matter. Except where otherwise provided in this chapter, the judge may from time to time enter orders designating the matters in respect to which, the persons to whom, and the form and manner in which notice shall be given.</p>
Intervention by parties in interest.	<p>"SEC. 208. The Securities and Exchange Commission shall, if requested by the judge, and may, upon its own motion if approved by the judge, file a notice of its appearance in a proceeding under this chapter. Upon the filing of such a notice, the Commission shall be deemed to be a party in interest, with the right to be heard on all matters arising in such proceeding, and shall be deemed to have intervened in respect of all matters in such proceeding with the same force and effect as if a petition for that purpose had been allowed by the judge; but the Commission may not appeal or file any petition for appeal in any such proceeding.</p>
By Securities and Exchange Commission.	

"SEC. 209. Any creditor or stockholder may in a proceeding under this chapter act in person, by an attorney at law, or by a duly authorized agent or committee.

Right of creditor or stockholder to act by attorney, etc.

"SEC. 210. An attorney for creditors or stockholders shall not be heard unless he has first filed with the court a statement setting forth the names and addresses of such creditors or stockholders, the nature and amounts of their claims or stock, and the time of acquisition thereof, except as to claims or stock alleged to have been acquired more than one year prior to the filing of the petition.

Information to be furnished by attorneys.

"SEC. 211. Every person or committee, representing more than twelve creditors or stockholders, and every indenture trustee, who appears in the proceeding shall file with the court a statement, under oath, which shall include—

Statements by certain representatives or indenture trustees; contents.

"(1) a copy of the instrument, if any, whereby such person, committee, or indenture trustee is empowered to act on behalf of creditors or stockholders;

"(2) a recital of the pertinent facts and circumstances in connection with the employment of such person or indenture trustee, and, in the case of a committee, the name or names of the person or persons at whose instance, directly or indirectly, such employment was arranged or the committee was organized or formed or agreed to act;

"(3) with reference to the time of the employment of such person, or the organization or formation of such committee, or the appearance in the proceeding of any indenture trustee, a showing of the amounts of claims or stock owned by such person, the members of such committee or such indenture trustee, the times when acquired, the amounts paid therefor, and any sales or other disposition thereof; and

"(4) a showing of the claims or stock represented by such person or committee and the respective amounts thereof, with an averment that each holder of such claims or stock acquired them at least one year before the filing of the petition or with a showing of the times of acquisition thereof.

"SEC. 212. The judge may examine and disregard any provision of a deposit agreement, proxy, power or warrant of attorney, trust mortgage, trust indenture, or deed of trust, or committee or other authorization, by the terms of which an agent, attorney, indenture trustee, or committee purports to represent any creditor or stockholder, may enforce an accounting thereunder, may restrain the exercise of any power which he finds to be unfair or not consistent with public policy and may limit any claim or stock acquired by such person or committee in contemplation or in the course of the proceeding under this chapter to the actual consideration paid therefor.

Powers of judge.

"SEC. 213. Without limiting the powers of the judge under section 212 of this Act, an agent, indenture trustee, or committee, purporting to represent creditors or stockholders, shall not be heard or allowed to intervene in a proceeding under this chapter until such person or persons shall have satisfied the court that they have complied with all applicable laws regulating the activities and personnel of such persons.

Agents, etc., of creditors, requirements before taking part in proceeding.

#### "ARTICLE X—PROVISIONS OF PLAN

Provisions of plan.

"SEC. 216. A plan of reorganization under this chapter—

"(1) shall include in respect to creditors generally or some class of them, secured or unsecured, and may include in respect to stock-

Contents.

Rights of creditors, etc.

	holders generally or some class of them, provisions altering or modifying their rights, either through the issuance of new securities of any character or otherwise;
Debtor's property.	"(2) may deal with all or any part of the property of the debtor;
Payment of administration costs and other allowances.	"(3) shall provide for the payment of all costs and expenses of administration and other allowances which may be approved or made by the judge;
Rejection of executory contracts.	"(4) may provide for the rejection of any executory contract except contracts in the public authority;
Claims to be paid in cash in full.	"(5) shall specify what claims, if any, are to be paid in cash in full;
Creditors, etc., not affected.	"(6) shall specify the creditors or stockholders or any class of them not to be affected by the plan and the provisions, if any, with respect to them;
Protection of non-assenting class of creditors.	"(7) shall provide for any class of creditors which is affected by and does not accept the plan by the two-thirds majority in amount required under this chapter, adequate protection for the realization by them of the value of their claims against the property dealt with by the plan and affected by such claims, either as provided in the plan or in the order confirming the plan, (a) by the transfer or sale, or by the retention by the debtor, of such property subject to such claims; or (b) by a sale of such property free of such claims, at not less than a fair upset price, and the transfer of such claims to the proceeds of such sale; or (c) by appraisal and payment in cash of the value of such claims; or (d) by such method as will, under and consistent with the circumstances of the particular case, equitably and fairly provide such protection;
Nonassenting class of stockholders.	"(8) shall provide for any class of stockholders which is affected by the plan and does not accept the plan by the majority of the stock required under this chapter, adequate protection for the realization by them of the value of their equity, if any, in the property of the debtor dealt with by the plan, either as provided in the plan or in the order confirming the plan, (a) by the sale of such property at not less than a fair upset price; or (b) by appraisal and payment in cash of the value of their stock; or (c) by such method as will, under and consistent with the circumstances of the particular case, equitably and fairly provide such protection: <i>Provided, however</i> , That such protection shall not be required if the judge shall determine that the debtor is insolvent;
Proviso. If debtor insolvent.	"(9) may include, where any indebtedness is created or extended under the plan for a period of more than five years, provisions for the retirement of such indebtedness by stated or determinable payments out of a sinking fund or otherwise, (a) if secured, within the expected useful life of the security therefor, or (b) if unsecured, or if the expected useful life of the security is not fairly ascertainable, then within a specified reasonable time, not to exceed forty years;
Long-term indebtedness.	"(10) shall provide adequate means for the execution of the plan, which may include: the retention by the debtor of all or any part of its property; the sale or transfer of all or any part of its property to one or more other corporations theretofore organized or thereafter to be organized; the merger or consolidation of the debtor with one or more other corporations; the sale of all or any part of its property, either subject to or free from any lien, at not less than a fair upset price and the distribution of all or any assets, or the proceeds derived from the sale thereof, among those having an interest therein; the satisfaction or modification of liens; the cancellation or modification of indentures or of other similar instruments; the curing or waiver of defaults; the extension of maturity
Provisions for execution of plan.	

dates and changes in interest rates and other terms of outstanding securities; the amendment of the charter of the debtor; the issuance of securities of the debtor or such other corporations for cash, for property, in exchange for existing securities, in satisfaction of claims or stock or for other appropriate purposes;

“(11) shall include provisions which are equitable, compatible with the interests of creditors and stockholders, and consistent with public policy, with respect to the manner of selection of the persons who are to be directors, officers, or voting trustees, if any, upon the consummation of the plan, and their respective successors;

“(12) shall provide for the inclusion in the charter of the debtor, or any corporation organized or to be organized for the purpose of carrying out the plan, of—

“(a) provisions prohibiting the debtor or such corporation from issuing non-voting stock, and providing, as to the several classes of securities of the debtor or of such corporation possessing voting power, for the fair and equitable distribution of such power among such classes, including, in the case of any class of stock having a preference over other stock with respect to dividends, adequate provisions for the election of directors representing such preferred class in the event of default in the payment of such dividends; and

“(b) (1) provisions which are fair and equitable and in accordance with sound business and accounting practice, with respect to the terms, position, rights, and privileges of the several classes of securities of the debtor or of such corporation, including, without limiting the generality of the foregoing, provisions with respect to the issuance, acquisition, purchase, retirement or redemption of any such securities, and the declaration and payment of dividends thereon; and (2) in the case of a debtor whose indebtedness, liquidated as to amount and not contingent as to liability, is \$250,000 or over, provisions with respect to the making, not less than once annually, of periodic reports to security holders which shall include profit and loss statements and balance sheets prepared in accordance with sound business and accounting practice;

“(13) may include provisions for the settlement or adjustment of claims belonging to the debtor or to the estate; and shall provide, as to such claims not settled or adjusted in the plan, for their retention and enforcement by the trustee or, if the debtor has been continued in possession, by an examiner appointed for that purpose; and

“(14) may include any other appropriate provisions not inconsistent with the provisions of this chapter.

#### “ARTICLE XI—CONFIRMATION AND CONSUMMATION OF PLAN

“SEC. 221. The judge shall confirm a plan if satisfied that—

“(1) the provisions of article VII, section 199, and article X of this chapter have been complied with;

“(2) the plan is fair and equitable, and feasible;

“(3) the proposal of the plan and its acceptance are in good faith and have not been made or procured by means or promises forbidden by this Act;

“(4) all payments made or promised by the debtor or by a corporation issuing securities or acquiring property under the plan or by any other person, for services and for costs and expenses in, or in connection with, the proceeding or in connection with the plan and incident to the reorganization, have been fully disclosed to the judge and are reasonable or, if to be fixed after confirmation of the plan, will be subject to the approval of the judge; and

Manner of selecting officers, etc. upon consummation of plan.

Provisions to be included in charter.

Non-voting stock prohibited.

Terms, position, rights, etc., of securities.

Periodic reports.

Settlement, etc., of claims of debtor or estate; provision for claims not settled.

Inclusion of other appropriate provisions.

Confirmation and consummation of plan.  
Conditions.  
*Ante*, pp. 888, 893, 895.



"(5) the identity, qualifications, and affiliations of the persons who are to be directors or officers, or voting trustees, if any, upon the consummation of the plan, have been fully disclosed, and that the appointment of such persons to such offices, or their continuance therein, is equitable, compatible with the interests of the creditors and stockholders and consistent with public policy.

Alterations or modifications.

"SEC. 222. A plan may be altered or modified, with the approval of the judge, after its submission for acceptance and before or after its confirmation if, in the opinion of the judge, the alteration or modification does not materially and adversely affect the interests of creditors or stockholders. If the judge finds that the proposed alteration or modification, filed with his approval, does materially and adversely affect the interests of creditors or stockholders, he shall fix a hearing for the consideration, and a subsequent time for the acceptance or rejection, of such alteration or modification. The requirements in regard to notice of hearing, to submission to the Securities and Exchange Commission, to acceptance, to filing and hearing of objections to confirmation and to the confirmation, as prescribed in article VII of this chapter in regard to the plan proposed to be altered or modified, shall be complied with.

Presumption of acceptance of alterations, etc.

"SEC. 223. Any creditor or stockholder who has previously accepted the plan proposed to be altered or modified and who does not file a written rejection of the proposed alteration or modification within the time fixed by the judge, shall be deemed to have accepted the alteration or modification and the plan so altered or modified unless the previous acceptance provides otherwise.

Action to be taken upon confirmation of plan.

"SEC. 224. Upon confirmation of a plan—

"(1) the plan and its provisions shall be binding upon the debtor, upon every other corporation issuing securities or acquiring property under the plan, and upon all creditors and stockholders, whether or not such creditors and stockholders are affected by the plan or have accepted it or have filed proofs of their claims or interests and whether or not their claims or interests have been scheduled or allowed or are allowable;

"(2) the debtor and every other corporation organized or to be organized for the purpose of carrying out the plan shall comply with the provisions of the plan and with all orders of the court relative thereto and shall take all action necessary to carry out the plan, including, in the case of a public-utility corporation, the procuring of authorization, approval, or consent of each commission having regulatory jurisdiction over the debtor or such other corporation;

"(3) if the judge shall so direct, there shall be deposited and distributed, in such manner as the judge may direct, the moneys for all payments which by the provisions of the plan or under this chapter are required to be made in cash; and

"(4) distribution shall be made, in accordance with the provisions of the plan, to creditors and stockholders (a) proofs of whose claims or stock have been filed prior to the date fixed by the judge and are allowed, or (b) if not so filed, whose claims or stock have been listed by the trustee or scheduled by the debtor in possession as fixed claims or stock, liquidated in amount and not disputed.

Determination of objections to certain claims or stock.

"SEC. 225. Where the claims or stock specified in paragraph (4), clause (b), of section 224 of this Act are objected to by any party in interest, the objection shall be heard and summarily determined by the court.

Property dealt with to be free and clear of all claims, etc.

"SEC. 226. The property dealt with by the plan, when transferred by the trustee to the debtor or other corporation or corporations provided for by the plan, or when transferred by the debtor in possession

to such other corporation or corporations, or when retained by the debtor in possession, as the case may be, shall be free and clear of all claims and interests of the debtor, creditors, and stockholders, except such claims and interests as may otherwise be provided for in the plan or in the order confirming the plan or in the order directing or authorizing the transfer or retention of such property.

"SEC. 227. The court may direct the debtor, its trustee, any mortgagees, indenture trustees, and other necessary parties to execute and deliver or to join in the execution and delivery of such instruments as may be requisite to effect a retention or transfer of property dealt with by a plan which has been confirmed, and to perform such other acts, including the satisfaction of liens, as the court may deem necessary for the consummation of the plan.

Instruments necessary to effectuate retention or transfer of property.

"SEC. 228. Upon the consummation of the plan, the judge shall enter a final decree—

Final decree; provisions.

"(1) discharging the debtor from all its debts and liabilities and terminating all rights and interests of stockholders of the debtor, except as provided in the plan or in the order confirming the plan or in the order directing or authorizing the transfer or retention of property;

"(2) discharging the trustee, if any;

"(3) making such provisions by way of injunction or otherwise as may be equitable; and

"(4) closing the estate.

#### "ARTICLE XII—DISMISSALS AND ADJUDICATIONS

Dismissals and adjudications.

"SEC. 236. If no plan is proposed within the time fixed or extended by the judge, or if no plan proposed is approved by the judge and no further time is granted for the proposal of a plan, or if no plan approved by the judge is accepted within the time fixed or extended by the judge, or if confirmation of the plan is refused, or if a confirmed plan is not consummated, the judge shall—

Conditions.

"(1) where the petition was filed under section 127 of this Act, enter an order dismissing the proceeding under this chapter and directing that the bankruptcy be proceeded with pursuant to the provisions of this Act; or

*Ante*, p. 885.

"(2) where the petition was filed under section 128 of this Act, after hearing upon notice to the debtor, stockholders, creditors, indenture trustees, and such other persons as the judge may designate, enter an order either adjudging the debtor a bankrupt and directing that bankruptcy be proceeded with pursuant to the provisions of this Act, or dismissing the proceeding under this chapter, as in the opinion of the judge may be in the interests of the creditors and stockholders.

*Ante*, p. 886.

"SEC. 237. Upon the dismissal of a proceeding under this chapter, where the petition was filed under section 128 of this Act, the judge shall enter a final decree discharging the trustee, if any, and closing the estate, except as otherwise provided by section 259 of this Act.

*Ante*, p. 886.

*Post*, p. 902.

"SEC. 238. Upon the entry of an order directing that bankruptcy be proceeded with—

"(1) where the petition was filed under section 127 of this Act, the bankruptcy proceeding shall be deemed reinstated and shall thereafter be conducted, so far as possible, as if the petition under this chapter had not been filed; or where the petition was filed under section 128 of this Act, the proceeding shall thereafter be conducted so far as possible, in the same manner and with like effect as if an involuntary petition for adjudication had been filed at the time when the petition under this chapter was filed, and a decree of adjudication had been entered at the time when the petition under this chapter was approved;

*Ante*, p. 885.

*Ante*, p. 860.

*Ante*, p. 873.

*Ante*, p. 865.

"(2) a trustee shall be appointed pursuant to section 44 of this Act and shall supersede any trustee previously appointed; and

"(3) only such claims as are provable under section 63 of this Act shall be allowed, and claims not already filed may be filed prior to the expiration of three months after the first date set for the first meeting of creditors as provided in section 55 of this Act, or, if such date has been previously set, then prior to the expiration of three months after the mailing of notices to creditors of the entry of the order directing that bankruptcy be proceeded with.

Compensation and allowances.

Reimbursement for expenses of petitioners; services, etc.

*Ante*, pp. 859, 861.  
Administration of estate, etc.

Creditors and stockholders and their attorneys.

Compensation and reimbursement, pending bankruptcy proceeding.  
*Ante*, p. 885.

*Ante*, p. 863.

#### "ARTICLE XIII—COMPENSATION AND ALLOWANCES

"SEC. 241. The judge may allow reimbursement for proper costs and expenses incurred by the petitioning creditors and reasonable compensation for services rendered and reimbursement for proper costs and expenses incurred in a proceeding under this chapter—

"(1) by a referee;

"(2) by a special master;

"(3) by the trustee and other officers, and the attorneys for any of them;

"(4) by the attorney for the debtor; and

"(5) by the attorney for the petitioning creditors.

"Such compensation of referees and trustees shall not be governed by sections 40 and 48 of this Act.

"SEC. 242. The judge may allow reasonable compensation for services rendered and reimbursement for proper costs and expenses incurred in connection with the administration of an estate in a proceeding under this chapter or in connection with a plan approved by the judge, whether or not accepted by creditors and stockholders or finally confirmed by the judge—

"(1) by indenture trustees, depositaries, reorganization managers, and committees or representatives of creditors or stockholders;

"(2) by any other parties in interest except the Securities and Exchange Commission; and

"(3) by the attorneys or agents for any of the foregoing except the Securities and Exchange Commission.

"SEC. 243. The judge may allow reasonable compensation for services rendered and reimbursement for proper costs and expenses incurred by creditors and stockholders, and the attorneys for any of them, in connection with the submission by them of suggestions for a plan or of proposals in the form of plans, or in connection with objections by them to the confirmation of a plan, or in connection with the administration of the estate. In fixing any such allowances, the judge shall give consideration only to the services which contributed to the plan confirmed or to the refusal of confirmation of a plan, or which were beneficial in the administration of the estate, and to the proper costs and expenses incidental thereto.

"SEC. 244. Where a petition is filed under section 127 of this Act, the judge may allow, if not already allowed, reasonable compensation for services rendered and reimbursement for proper costs and expenses incurred in the pending bankruptcy proceeding—

"(1) by a marshal, receiver, or trustee, as provided in subdivision g of section 48 of this Act, and the attorneys for any of them;

"(2) by the attorney for the petitioning creditors;

"(3) by the attorney for the bankrupt; and

"(4) by any other persons and the attorneys for any of them entitled under this Act to compensation or reimbursement in such bankruptcy proceeding.

"SEC. 245. Where a petition is filed in a pending bankruptcy proceeding, the judge may allow reasonable compensation for services rendered and the proper costs and expenses incurred in such bankruptcy proceeding by a referee in bankruptcy. In fixing such compensation, the judge shall not be restricted by the provisions of section 40 of this Act.

Compensation, proceeding by referee.

"SEC. 246. Upon the dismissal of a proceeding under this chapter, or the entry of an order adjudging the debtor a bankrupt, the judge may allow reasonable compensation for services rendered and reimbursement for proper costs and expenses incurred in such proceeding prior to such dismissal or order of adjudication by any persons entitled thereto, as provided in this chapter, and shall make provision for the payment thereof, and for the payment of all proper costs and expenses incurred by officers in such proceedings.

*Ante*, p. 859.

Allowances in event of dismissal or adjudging debtor a bankrupt.

"SEC. 247. The judge shall fix a time of hearing for the consideration of applications for allowances, of which hearing notice shall be given to the applicants, the trustee, the debtor, the creditors, stockholders, indenture trustees, the Securities and Exchange Commission, and such other persons as the judge may designate, except that, in the case of allowances for services and reimbursement in a superseded bankruptcy proceeding, notice need be given only to the applicants, the debtor, the trustee, and the unsecured creditors, and may be given to such other classes of creditors or other persons as the judge may designate. In the case of the dismissal of a proceeding under this chapter and the entry of an order therein directing that bankruptcy be proceeded with, notice of the hearing to consider allowances need not be given to stockholders.

Hearings.

"SEC. 248. In the case of the dismissal of a proceeding under this chapter and the entry of an order therein directing that a superseded bankruptcy be proceeded with, the compensation allowed by the judge, in the course of the proceeding under this chapter, to the referee, marshal, receiver, or trustee in the bankruptcy proceeding for services rendered by them in such bankruptcy proceeding shall be deemed to have been allowed in such bankruptcy proceeding, and such compensation shall be considered in connection with the making of future allowances therein or shall be readjusted, so as to comply with the provisions of this Act fixing their compensation in a bankruptcy proceeding.

Allowances in case of dismissal of proceeding, etc.

"SEC. 249. Any persons seeking compensation for services rendered or reimbursement for costs and expenses incurred in a proceeding under this chapter shall file with the court a statement under oath showing the claims against, or stock of, the debtor, if any, in which a beneficial interest, direct or indirect, has been acquired or transferred by him or for his account, after the commencement of such proceeding. No compensation or reimbursement shall be allowed to any committee or attorney, or other person acting in the proceedings in a representative or fiduciary capacity, who at any time after assuming to act in such capacity has purchased or sold such claims or stock, or by whom or for whose account such claims or stock have, without the prior consent or subsequent approval of the judge, been otherwise acquired or transferred.

Statement to be filed by persons seeking compensation for services, etc.

Certain acts a bar to allowance of compensation.

"SEC. 250. Appeals may be taken in matters of law or fact from orders making or refusing to make allowances of compensation or reimbursement, and may, in the manner and within the time provided for appeals by this Act, be taken to and allowed by the circuit court of appeals independently of other appeals in the proceeding, and shall be summarily heard upon the original papers.

Appeals from allowance or refusal of compensation.

## Prior proceedings.

## "ARTICLE XIV—PRIOR PROCEEDINGS

Filing of petition notwithstanding pendency of prior proceeding.

"SEC. 256. A petition may be filed under this chapter notwithstanding the pendency of a prior mortgage foreclosure, equity, or other proceeding in a court of the United States or of any State in which a receiver or trustee of all or any part of the property of a debtor has been appointed or for whose appointment an application has been made.

Vesting of rights of prior receiver, etc., in property.

"SEC. 257. The trustee appointed under this chapter, upon his qualification, or if a debtor is continued in possession, the debtor, shall become vested with the rights, if any, of such prior receiver or trustee in such property and with the right to the immediate possession thereof. The trustee or debtor in possession shall also have the right to immediate possession of all property of the debtor in the possession of a trustee under a trust deed or a mortgagee under a mortgage.

Protection of incurred obligations.

"SEC. 258. The judge shall make such provision as may be equitable for the protection of the obligations incurred by a receiver or trustee in such prior proceeding and for the payment of the reasonable costs and expenses incurred therein as may be allowed by the judge.

Reinstatement of prior proceedings in event of dismissal.

"SEC. 259. Upon a dismissal of a proceeding under this chapter, such prior proceeding shall become reinstated, and the judge shall allow the reasonable costs and expenses under this chapter, including the allowances provided for in article XIII of this chapter, and shall make appropriate provision for the retransfer of such property to the person or persons entitled thereto upon such terms as may be equitable for the protection of the obligations incurred in the proceedings under this chapter by the trustee or debtor in possession, and for the payment of the costs and expenses of the proceedings.

## General provisions.

## "ARTICLE XV—GENERAL PROVISIONS

Suspension of statutes of limitation, etc., while proceeding pending.

"SEC. 261. All statutes of limitation affecting claims and interests provable under this chapter and the running of all periods of time prescribed by this Act in respect to the commission of acts of bankruptcy, the recovery of preferences, and the avoidance of liens and transfers shall be suspended while a proceeding under this chapter is pending and until it is finally dismissed.

Dismissal; filing of petition not to constitute act of bankruptcy.

"SEC. 262. If a proceeding under this chapter shall be dismissed, the filing of the petition shall not constitute an act of bankruptcy by the debtor.

Chapter inapplicable to designated creditors.

48 Stat. 1246.  
12 U. S. C., ch. 13; Supp. III, ch. 13.

"SEC. 263. Nothing contained in this chapter shall be deemed to affect or apply to the creditors of any corporation under a mortgage insured pursuant to the National Housing Act and Acts amendatory thereof and supplementary thereto.

Prohibitions relating to interstate commerce and the mails.  
48 Stat. 77.

"SEC. 264. a. The provisions of section 5 of the Securities Act of 1933 shall not apply to—

15 U. S. C. § 77e.  
Exemption of certain securities.  
Certain security transactions.

"(1) any security issued by the receiver, trustee, or debtor in possession pursuant to paragraph (2) of section 116 of this Act; or

"(2) any transaction in any security issued pursuant to a plan in exchange for securities of or claims against the debtor or partly in such exchange and partly for cash and/or property, or issued upon exercise of any right to subscribe or conversion privilege so issued, except (a) transactions by an issuer or an underwriter in connection with a distribution otherwise than pursuant to the plan, and (b) transactions by a dealer as to securities constituting the whole or a part of an unsold allotment to or subscription by such dealer as a participant in a distribution of such securities by the

issuer or by or through an underwriter otherwise than pursuant to the plan.

"b. As used in this section, the terms 'security', 'issuer', 'underwriter', and 'dealer' shall have the meanings provided in section 2 of the Securities Act of 1933, and the term 'Securities Act of 1933' shall be deemed to refer to such Act as heretofore or hereafter amended.

"SEC. 265. a. In addition to the notices elsewhere expressly provided, the Securities and Exchange Commission shall be given notice of all other steps taken in connection with a proceeding under this chapter. Any notice which this chapter requires to be given to the Securities and Exchange Commission shall be deemed to have been sufficiently given if it is given by registered first-class mail, postage prepaid, addressed to the Securities and Exchange Commission at Washington, District of Columbia, or at such other place as the Securities and Exchange Commission shall designate by written notice filed in the proceeding and served upon the parties thereto. The clerk and, in the case of a reference, the referee after such reference, shall forthwith transmit to the Securities and Exchange Commission copies of (1) every petition filed under this chapter; (2) the answers thereto, if any; (3) the orders approving or dismissing petitions; (4) the orders appointing trustees or continuing debtors in possession; (5) the orders determining the time within which the claims of creditors may be filed and allowed, and the division of creditors and stockholders into classes according to the nature of their respective claims and stock; (6) the orders approving any plan or plans, together with copies of such plans; (7) the orders approving alterations or modifications in plans, together with copies of such alterations or modifications; (8) the orders confirming plans, together with copies of such plans; (9) all applications for allowances for compensation and expenses, and the orders making or refusing to make such allowances; (10) the orders adjudging debtors to be solvent or insolvent; (11) the orders directing liquidations of estates or dismissing proceedings; (12) and such other papers filed in the proceedings as the Securities and Exchange Commission may request or which the court may direct be transmitted to it. Copies of the opinions or reports, if any, of the judge, referee, or special master, with respect to the matters enumerated, shall also be transmitted to the Securities and Exchange Commission.

"b. The provisions of section 4 (b) of the Securities Exchange Act of 1934 shall be applicable with respect to the power of the Securities and Exchange Commission to appoint and fix the compensation of such officers, attorneys, examiners, and other experts, and such other officers and employees, as may be necessary for carrying out its functions under this chapter.

"SEC. 266. In addition to the notices elsewhere expressly provided, the clerk and, in the case of a reference, the referee, after such reference, shall forthwith transmit to the Secretary of the Treasury copies of all petitions, answers, orders, and applications, as more specifically enumerated in section 265 of this Act, and copies of such other papers filed in the proceedings as the Secretary of the Treasury may request or which the court may direct be transmitted to him. Copies of the opinions or reports, if any, of the judge, referee, or special master, with respect to the matters so enumerated, shall also be transmitted to the Secretary of the Treasury. Any order fixing the time for confirming a plan which affects claims or stock of the United States shall include a notice to the Secretary of the Treasury of not less than thirty days.

"SEC. 267. The issuance, transfer, or exchange of securities, or the making or delivery of instruments of transfer under any plan con-

Terms defined.

48 Stat. 74.  
15 U. S. C. § 77b.

Securities and Exchange Commission.  
Notice to, of all other steps in connection with proceedings.

Personal services.  
48 Stat. 885.  
15 U. S. C. § 78d.

Designated papers to be transmitted to Treasury.

Stamp tax exemption.

firmed under this chapter, shall be exempt from any stamp taxes now or hereafter imposed under the laws of the United States or of any State.

Modification or cancellation of indebtedness, certain profits not deemed to have accrued.

"SEC. 268. Except as provided in section 270 of this Act, no income or profit, taxable under any law of the United States or of any State now in force or which may hereafter be enacted, shall, in respect to the adjustment of the indebtedness of a debtor in a proceeding under this chapter, be deemed to have accrued to or to have been realized by a debtor, by a trustee provided for in a plan under this chapter, or by a corporation organized or made use of for effectuating a plan under this chapter by reason of a modification in or cancellation in whole or in part of any of the indebtedness of the debtor in a proceeding under this chapter.

If plan for purpose of tax avoidance.

"SEC. 269. Where it appears that a plan has for one of its principal purposes the avoidance of taxes, objection to its confirmation may be made on that ground by the Secretary of the Treasury, or, in the case of a State, by the corresponding official or other person so authorized. Such objections shall be heard and determined by the judge, independently of other objections which may be made to the confirmation of the plan, and, if the judge shall be satisfied that such purpose exists, he shall refuse to confirm the plan.

Determination of basis of property for income tax purposes.

"SEC. 270. In determining the basis of property for any purposes of any law of the United States or of a State imposing a tax upon income, the basis of the debtor's property (other than money) or of such property (other than money) as is transferred to any person required to use the debtor's basis in whole or in part shall be decreased by an amount equal to the amount by which the indebtedness of the debtor, not including accrued interest unpaid and not resulting in a tax benefit on any income tax return, has been canceled or reduced in a proceeding under this chapter. The Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe such regulations as he may deem necessary in order to reflect such decrease in basis for Federal income-tax purposes and otherwise carry into effect the purposes of this section.

Taxes owing within one year from filing petition and not assessed prior to confirmation of plan.

"SEC. 271. Any provision in this chapter to the contrary notwithstanding, all taxes which may be found to be owing to the United States or any State from a debtor within one year from the date of the filing of a petition under this chapter and have not been assessed prior to the date of the confirmation of a plan under this chapter, and all taxes which may become owing to the United States or any State from a receiver or trustee of a debtor or from a debtor in possession, shall be assessed against, may be collected from and shall be paid by the debtor or the corporation organized or made use of for effectuating a plan under this chapter: *Provided, however,* That the United States or any State may in writing accept the provisions of any plan dealing with the assumption, settlement, or payment of any such tax.

*Proviso.*  
Acceptance of plan of settlement, etc.

Rights of employees or prospective employees to join labor organizations.

"SEC. 272. The right of employees or of persons seeking employment on the property of a debtor under the jurisdiction of the court to join a labor organization of their choice, or to refuse to join or remain members of a company union, shall be free from interference, restraint, or coercion by the court, a debtor, or trustee. It shall be the duty of a debtor or trustee to report to the judge any agreement restricting or interfering with such right, and the judge shall thereupon enter an appropriate order for the termination of such agreement and for notice to the employees that the same is no longer binding upon them. No funds of the estate shall be used by a debtor or a trustee for the purpose of maintaining company unions.

# “ARTICLE XVI—WHEN CHAPTER TAKES EFFECT

“SEC. 276. a. This chapter shall apply to debtors by whom or against whom petitions are filed on and after the effective date of this amendatory Act and to the creditors and stockholders thereof, whether their rights, claims, or interests of any nature whatsoever have been acquired or created before or after such date;

When chapter takes effect.

“b. a petition may be filed under this chapter in a proceeding in bankruptcy which is pending on such date, and a petition may be filed under this chapter notwithstanding the pendency on such date of a proceeding in which a receiver or trustee of all or any part of the property of a debtor has been appointed or for whose appointment application has been made in a court of the United States or of any State;

“c. the provisions of sections 77A and 77B of chapter VIII, as amended, of the Act entitled ‘An Act to establish a uniform system of bankruptcy throughout the United States’, approved July 1, 1898, shall continue in full force and effect with respect to proceedings pending under those sections upon the effective date of this amendatory Act, except that—

Operation of designated sections in pending proceedings.  
48 Stat. 912.  
11 U. S. C. §§ 206, 207; Supp. III, § 207.

“(1) if the petition in such proceedings was approved within three months prior to the effective date of this amendatory Act, the provisions of this chapter shall apply in their entirety to such proceedings; and

Exceptions.

“(2) if the petition in such proceedings was approved more than three months before the effective date of this amendatory Act, the provisions of this chapter shall apply to such proceedings to the extent that the judge shall deem their application practicable; and

“(3) sections 268 and 270 of this Act shall apply to any plan confirmed under section 77B before the effective date of this amendatory Act and to any plan which may be confirmed under section 77B on and after such effective date, except that the exemption provided by section 268 of this Act may be disallowed if it shall be made to appear that any such plan had for one of its principal purposes the avoidance of income taxes, and except further that where such plan has not been confirmed on and after such effective date, section 269 of this Act shall apply where practicable and expedient.

## “CHAPTER XI—ARRANGEMENTS

Chapter XI—Arrangements.

### “ARTICLE I—CONSTRUCTION

Construction.

“SEC. 301. The provisions of this chapter shall apply exclusively to proceedings under this chapter.

Application of provisions.

“SEC. 302. The provisions of chapters I to VII, inclusive, of this Act shall, insofar as they are not inconsistent with or in conflict with the provisions of this chapter, apply in proceedings under this chapter. For the purposes of such application, provisions relating to ‘bankrupts’ shall be deemed to relate also to ‘debtors’, and ‘bankruptcy proceedings’ or ‘proceedings in bankruptcy’ shall be deemed to include proceedings under this chapter. For the purposes of such application the date of the filing of the petition in bankruptcy shall be taken to be the date of the filing of an original petition under section 322 of this Act, and the date of adjudication shall be taken to be the date of the filing of the petition under section 321 or 322 of this Act except where an adjudication had previously been entered.

Post, p. 907.



## "ARTICLE II—DEFINITIONS

Definitions.	"SEC. 306. For the purposes of this chapter, unless inconsistent with the context—
"Arrangement."	"(1) 'arrangement' shall mean any plan of a debtor for the settlement, satisfaction, or extension of the time of payment of his unsecured debts, upon any terms;
"Consideration."	"(2) 'consideration' shall include evidences of indebtedness, either secured or unsecured, stock and certificates of beneficial interest therein, and certificates of beneficial interest in property;
"Debtor."	"(3) 'debtor' shall mean a person who could become a bankrupt under section 4 of this Act and who files a petition under this chapter;
<i>Ante</i> , p. 845.	"(4) 'executory contracts' shall include unexpired leases of real property; and
"Executory contracts."	"(5) 'petition' shall mean a petition filed under this chapter by a debtor proposing an arrangement.
"Petition."	"SEC. 307. Unless inconsistent with the context and for the purposes of an arrangement providing for an extension of time for payment of debts in full and applicable exclusively to the debts to be extended—
Terms applicable exclusively to debts to be extended.	"(1) 'creditors' shall include the holders of all unsecured debts, demands, or claims of whatever character against a debtor, whether or not provable as debts under section 63 of this Act and whether liquidated or unliquidated, fixed or contingent; and
"Creditors."	"(2) 'debts' or 'claims' shall include all unsecured debts, demands, or claims of whatever character against a debtor, whether or not provable as debts under section 63 of this Act and whether liquidated or unliquidated, fixed or contingent.
<i>Ante</i> , p. 873.	"SEC. 308. A creditor shall be deemed to be 'affected' by an arrangement only if his interest shall be materially and adversely affected thereby. In the event of controversy, the court shall after hearing upon notice summarily determine whether any creditor is so affected.
"Debts" or "claims."	
Creditor "affected" by an arrangement.	

## "ARTICLE III—JURISDICTION, POWERS, AND DUTIES OF THE COURT

Jurisdiction, powers, and duties of the court.	"SEC. 311. Where not inconsistent with the provisions of this chapter, the court in which the petition is filed shall, for the purposes of this chapter, have exclusive jurisdiction of the debtor and his property, wherever located.
	"SEC. 312. Where not inconsistent with the provisions of this chapter, the jurisdiction, powers, and duties of the court shall be the same—
	"(1) where a petition is filed under section 321 of this Act and a decree of adjudication has not been entered in the pending bankruptcy proceeding, as if a decree of adjudication had been entered in such bankruptcy proceeding at the time the petition under this chapter was filed; or
	"(2) where a petition is filed under section 322 of this Act, as if a voluntary petition for adjudication in bankruptcy had been filed and a decree of adjudication had been entered at the time the petition under this chapter was filed.
	"SEC. 313. Upon the filing of a petition, the court may, in addition to the jurisdiction, powers, and duties hereinabove and elsewhere in this chapter conferred and imposed upon it—
	"(1) permit the rejection of executory contracts of the debtor, upon notice to the parties to such contracts and to such other parties in interest as the court may designate;

"(2) upon such notice as the court may prescribe and upon cause shown, authorize the receiver or trustee, or the debtor in possession, to lease or sell any property of the debtor, whether real or personal, upon such terms and conditions as the court may approve;

"(3) whenever under this chapter the court is required or permitted to fix a time for any purpose, the court may upon cause shown extend such time.

"SEC. 314. The court may, in addition to the relief provided by section 11 of this Act and elsewhere under this chapter, enjoin or stay until final decree the commencement or continuation of suits other than suits to enforce liens upon the property of a debtor, and may, upon notice and for cause shown, enjoin or stay until final decree any act or the commencement or continuation of any proceeding to enforce any lien upon the property of a debtor.

Power to enjoin or stay certain suits.  
*Ante*, p. 849.

"SEC. 315. Whenever notice is to be given under this chapter, the court shall designate, if not otherwise specified hereunder, the time within which, the persons to whom, and the form and manner in which the notice shall be given. Any notice to be given under this chapter may be combined, whenever feasible, with any other notice or notices under this chapter.

Designation of time, form, etc., of giving notice.

"SEC. 316. Where not inconsistent with the provisions of this chapter, the jurisdiction of appellate courts shall be the same as in a bankruptcy proceeding.

Jurisdiction of appellate courts.

#### "ARTICLE IV—PETITION AND STAY

Petition and stay.

"SEC. 321. A debtor may file a petition under this chapter in a pending bankruptcy proceeding either before or after his adjudication.

Petition by debtor in pending proceeding.

"SEC. 322. If no bankruptcy proceeding is pending, a debtor may file an original petition under this chapter with the court which would have jurisdiction of a petition for his adjudication.

If no proceeding pending.

"SEC. 323. A petition filed under this chapter shall state that the debtor is insolvent or unable to pay his debts as they mature, and shall set forth the provisions of the arrangement proposed by him.

Contents of petition.

"SEC. 324. The petition shall be accompanied by—

Accompanying papers, etc.

"(1) a statement of the executory contracts of the debtor;

"(2) the schedules and statement of affairs, if not previously filed; and

"(3) payment to the clerk of the fees, if not already paid, required by this Act.

"SEC. 325. A petition filed under section 321 of this Act shall not act as a stay of adjudication or of the administration of the estate, but the court may, upon application of the debtor and upon notice to all parties in interest, including the creditors' committee and the receiver or trustee, if any such has been appointed, grant a stay of adjudication or of the administration of the estate upon such terms as may be proper for the protection of the estate and for indemnity against loss thereto or diminution thereof.

If pending proceeding, effect of petition on adjudication, etc.

"SEC. 326. Where a petition is filed under section 322 of this Act, the court may, upon hearing and after notice to the debtor and to such other persons as the court may direct, order the debtor to file a bond or undertaking, with such sureties as may be approved by the court and in such amount as the court may fix, to indemnify the estate against subsequent loss thereto or diminution thereof until, in the event of the entry of an order of adjudication under this chapter, the entry of such order.

If no pending proceeding, filing of bond, etc.

"SEC. 327. Upon failure of the debtor to comply with such order for indemnity, as prescribed in section 326 of this Act, the court may,

Failure to comply with order for indemnity.

after hearing upon notice to the debtor, the creditors' committee, if any has been appointed, and to such other persons as the court may direct, either adjudge the debtor a bankrupt and direct that bankruptcy be proceeded with pursuant to the provisions of this Act or dismiss the proceedings under this chapter, as in the opinion of the court may be in the interest of the creditors.

Proceedings subsequent to filing of petition.  
Reference of proceeding to referee.  
Appointment of receiver, etc.

#### "ARTICLE V—PROCEEDINGS SUBSEQUENT TO FILING OF PETITION

"SEC. 331. The judge may refer the proceeding to a referee.

"SEC. 332. The court may, upon the application of any party in interest, appoint, if necessary, a receiver of the property of the debtor, or, if a trustee in bankruptcy has previously been appointed, shall continue such trustee in possession.

Appointment of appraisers.

"SEC. 333. The court may, upon the application of the receiver, trustee, or any party in interest, appoint, if not previously appointed, one or more appraisers who shall prepare and file under oath an inventory and appraisal of the property of the debtor, and may prescribe how such inventory and appraisal shall be made.

Meeting of creditors.

"SEC. 334. The court shall promptly call a meeting of creditors, upon at least ten days' notice by mail to the debtor, the creditors, and other parties in interest.

Notice of meeting, accompanying information.

"SEC. 335. The notice of such meeting of creditors shall be accompanied by a copy of the proposed arrangement, a summary of the liabilities as shown by the schedules and a summary of the appraisal, if one has been made, or, if not made, a summary of the assets as shown by the schedules. Such notice may also name the time for the filing of the application to confirm the arrangement and the time for the hearing of the confirmation and of such objections as may be made to the confirmation.

Procedure.

"SEC. 336. At such meeting, or at any adjournment thereof, the judge or referee—

"(1) shall preside;

"(2) may receive proofs of claim and allow or disallow them;

"(3) shall examine the debtor or cause him to be examined and hear witnesses on any matter relevant to the proceeding; and

"(4) shall receive and determine the written acceptances of creditors on the proposed arrangement, which acceptances may be obtained by the debtor before or after the filing of a petition under this chapter.

Duties of judge or referee at meeting, etc.

"SEC. 337. At such meeting, or at any adjournment thereof, the judge or referee shall, after the acceptance of the arrangement—

"(1) appoint the receiver or trustee, if any, or otherwise appoint some other person, to receive and distribute, subject to the control of the court, the moneys and consideration, if any, to be deposited by the debtor; require such person to give bond with surety to be approved by the court in such amount as the court shall fix; and fix the amount or rate of such person's compensation, not in excess of the compensation allowable to a receiver under this Act;

"(2) fix a time within which the debtor shall deposit, in such place as shall be designated by and subject to the order of the court, the consideration, if any, to be distributed to the creditors, the money necessary to pay all debts which have priority, unless such priority creditors shall have waived their claims or such deposit, or consented in writing to any provision of the arrangement for otherwise dealing with such claims, and the money necessary to pay the costs and expenses of the proceedings and the actual and necessary expenses incurred in connection with the proceedings and the arrangement by the committee of creditors and the attorneys or agents of such committee, in such amount as the court may allow; and

"(3) fix a time for the filing of the application to confirm the arrangement and for a hearing on the confirmation thereof or any objections to the confirmation, unless such times have already been named in the notice of the meeting or unless all creditors affected by the arrangement have accepted it.

"SEC. 338. At such meeting the creditors may appoint a committee, if none has previously been appointed under this Act, and, if a trustee has not previously been appointed, may nominate a trustee who shall thereafter be appointed by the court in case it shall become necessary to administer the estate in bankruptcy as provided under this chapter.

Appointment of  
committee by credi-  
tors.  
Nomination of trustee.

"ARTICLE VI—TITLE, RIGHTS, DUTIES, AND POWERS OF DEBTOR AND OFFICERS

"SEC. 341. Where not inconsistent with the provisions of this chapter, the powers and duties of the officers of the court and, subject to the approval of the court, their fees, and the rights, privileges, and duties of the debtor shall be the same, where a petition is filed under section 321 of this Act and a decree of adjudication has not been entered in the pending bankruptcy proceeding, as if a decree of adjudication had been entered in such bankruptcy proceeding at the time the petition under this chapter was filed, or, where a petition is filed under section 322 of this Act, as if a voluntary petition for adjudication in bankruptcy had been filed and a decree of adjudication had been entered at the time the petition under this chapter was filed.

Title, rights, duties,  
and powers of debtor  
and officers.

"SEC. 342. Where no receiver or trustee is appointed, the debtor shall continue in possession of his property<sup>1</sup> and shall have all the title and exercise all the powers of a trustee appointed under this Act, subject, however, at all times to the control of the court and to such limitations, restrictions, terms, and conditions as the court may from time to time prescribe.

Where no receiver  
or trustee is appointed.

"SEC. 343. The receiver or trustee, or the debtor in possession, shall have the power, upon authorization by and subject to the control of the court, to operate the business and manage the property of the debtor during such period, limited or indefinite, as the court may from time to time fix, and during such operation or management shall file reports thereof with the court at such intervals as the court may designate.

Operation of business,  
etc., of debtor.

"SEC. 344. During the pendency of a proceeding for an arrangement, or after the confirmation of the arrangement where the court has retained jurisdiction, the court may upon cause shown authorize the receiver or trustee, or the debtor in possession, to issue certificates of indebtedness for cash, property, or other consideration approved by the court, upon such terms and conditions and with such security and priority in payment over existing obligations as in the particular case may be equitable.

Certificates of in-  
debtedness.

"ARTICLE VII—CREDITORS AND CLAIMS

"SEC. 351. For the purposes of the arrangement and its acceptance, the court may fix the division of creditors into classes and, in the event of controversy, the court shall after hearing upon notice summarily determine such controversy.

Creditors and  
claims.

Division of creditors  
into classes.

"SEC. 352. Where not inconsistent with the provisions of this chapter, the rights, duties, and liabilities of creditors and of all other persons with respect to the property of the debtor shall be the same,

Rights, duties, and  
liabilities of creditors,  
etc.

<sup>1</sup> So in original.

*Ante*, p. 907.

Rejection of executory contract; status of injured person.

Limitation on claim of landlord.

*Proviso.*  
Assignee of future rent claim, damages.

Expiration of time for filing claims.

*Ante*, pp. 873, 867.

Order directing bankruptcy to be proceeded with, claims allowed.  
*Ante*, p. 873.

*Ante*, p. 865.

where a petition is filed under section 321 of this Act and a decree of adjudication has not been entered in the pending bankruptcy proceeding, as if a decree of adjudication had been entered in such bankruptcy proceeding at the time the petition under this chapter was filed, or, where a petition is filed under section 322 of this Act, as if a voluntary petition for adjudication in bankruptcy had been filed and a decree of adjudication had been entered at the time the petition under this chapter was filed.

"SEC. 353. In case an executory contract shall be rejected pursuant to the provisions of an arrangement or to the permission of the court given in a proceeding under this chapter, or shall have been rejected by a trustee or a receiver in bankruptcy or receiver in equity in a prior pending proceeding, any person injured by such rejection shall, for the purposes of this chapter and of the arrangement, its acceptance and confirmation, be deemed a creditor. The claim of the landlord for injury resulting from the rejection of an unexpired lease of real estate or for damages or indemnity under a covenant contained in such lease shall be provable, but shall be limited to an amount not to exceed the rent, without acceleration, reserved by such lease for the three years next succeeding the date of the surrender of the premises to the landlord or the date of reentry of the landlord, whichever first occurs, whether before or after the filing of the petition, plus unpaid accrued rent, without acceleration, up to the date of surrender or reentry: *Provided*, That the court shall scrutinize the circumstances of an assignment of a future rent claim and the amount of the consideration paid for such assignment in determining the amount of damages allowed the assignee thereof.

"SEC. 354. If the time for filing claims in a pending bankruptcy proceeding has expired prior to the filing of a petition under this chapter, claims provable under section 63 of this Act, and not filed within the time prescribed by subdivision n of section 57 of this Act, shall not be allowed in the proceedings or participate in an arrangement under this chapter, and shall not be allowed in the bankruptcy proceeding when reinstated as provided in this chapter.

"SEC. 355. Upon the entry of an order under the provisions of this chapter directing that bankruptcy be proceeded with, only such claims as are provable under section 63 of this Act shall be allowed and, except as provided in section 354 of this Act, claims not already filed may be filed within three months after the first date set for the first meeting of creditors, held pursuant to section 55 of this Act, or, if such date has previously been set, then within three months after the mailing of notice to creditors of the entry of the order directing that bankruptcy be proceeded with.

#### "ARTICLE VIII—PROVISIONS OF ARRANGEMENT

Provisions of arrangement.

"SEC. 356. An arrangement within the meaning of this chapter shall include provisions modifying or altering the rights of unsecured creditors generally or of some class of them, upon any terms or for any consideration.

"SEC. 357. An arrangement within the meaning of this chapter may include—

"(1) provisions for treatment of unsecured debts on a parity one with the other, or for the division of such debts into classes and the treatment thereof in different ways or upon different terms;

"(2) provisions for the rejection of any executory contract;

"(3) provisions for specific undertakings of the debtor during any period of extension provided for by the arrangement, including provisions for payments on account;

"(4) provisions for the termination, under specified conditions, of any period of extension provided by the arrangement;

"(5) provisions for continuation of the debtor's business with or without supervision or control by a receiver or by a committee of creditors or otherwise;

"(6) provisions for payment of debts incurred after the filing of the petition and during the pendency of the arrangement, in priority over the debts affected by such arrangement;

"(7) provisions for retention of jurisdiction by the court until provisions of the arrangement, after its confirmation, have been performed; and

"(8) any other appropriate provisions not inconsistent with this chapter.

#### "ARTICLE IX—CONFIRMATION OF ARRANGEMENT

"SEC. 361. An arrangement which at the meeting of creditors, as provided in section 336 of this Act, has been accepted in writing by all creditors affected thereby, whether or not their claims have been proved, shall be confirmed by the court when the debtor shall have made the deposit required under this chapter and under the arrangement, and if the court is satisfied that the arrangement and its acceptance are in good faith and have not been made or procured by any means, promises or acts forbidden by this Act.

Confirmation of arrangement.  
*Ante*, p. 908.

"SEC. 362. If an arrangement has not been so accepted, an application for the confirmation of the arrangement may be filed with the court within such time as the court shall have fixed in the notice of such meeting, or at or after such meeting and after, but not before—

If arrangement not accepted, application for confirmation.

"(1) it has been accepted in writing by a majority in number of all creditors or, if the creditors are divided into classes, by a majority in number of all creditors of each class, affected by the arrangement, whose claims have been proved and allowed before the conclusion of the meeting, which number shall represent a majority in amount of such claims generally or of each class of claims, as the case may be; and

"(2) the debtor has made the deposit required under this chapter and under the arrangement.

"SEC. 363. Alterations or modifications of an arrangement may be proposed in writing by a debtor, with leave of court, at any time before the arrangement is confirmed.

Proposal by debtor for alterations, etc.

"SEC. 364. Unless the court finds that the proposed alteration or modification does not materially and adversely affect the interest of any creditor who has not in writing assented thereto, the court shall adjourn the meeting or, if closed, reopen the meeting, and may enter an order that any creditor who accepted the arrangement and who fails to file with the court, within such time as shall be fixed in the order, his rejection of the altered or modified arrangement, shall be deemed to have accepted the alteration or modification and the arrangement so altered or modified, unless the previous acceptance provides otherwise.

Presumption of acceptance by creditor.

"SEC. 365. At least ten days' notice of the adjourned or reopened meeting, together with a copy of the order, if entered, and of the proposed alteration or modification, shall be given to the debtor, the creditors, and other parties in interest.

Notice.

"SEC. 366. The court shall confirm an arrangement if satisfied that—

Confirmation of arrangement; findings by court.

"(1) the provisions of this chapter have been complied with;

"(2) it is for the best interests of the creditors;

"(3) it is fair and equitable and feasible;

"(4) the debtor has not been guilty of any of the acts or failed to perform any of the duties which would be a bar to the discharge of a bankrupt; and

"(5) the proposal and its acceptance are in good faith and have not been made or procured by any means, promises, or acts forbidden by this Act.

Effect of confirmation of arrangement.

"SEC. 367. Upon confirmation of an arrangement—

"(1) the arrangement and its provisions shall be binding upon the debtor, upon any person issuing securities or acquiring property under the arrangement and upon all creditors of the debtor, whether or not they are affected by the arrangement or have accepted it or have filed their claims, and whether or not their claims have been scheduled or allowed and are allowable;

"(2) the money deposited for priority debts and for the costs and expenses shall be disbursed to the persons entitled thereto;

"(3) the consideration deposited, if any, shall be distributed and the rights provided by the arrangement shall inure to the creditors affected by the arrangement whose claims are not barred by the provisions of section 354 of this Act, and (a) have been proved prior to the date of confirmation and are allowed, or (b) whether or not proved, have been scheduled by the debtor as fixed liabilities, liquidated in amount, and are not disputed; and

"(4) except as otherwise provided in sections 369 and 370 of this Act, the case shall be dismissed.

*Ante*, p. 910.

Retention of jurisdiction by court.

"SEC. 368. The court shall retain jurisdiction, if so provided in the arrangement.

"SEC. 369. The court shall in any event retain jurisdiction until the final allowance or disallowance of all debts, affected by the arrangement and not barred by the provisions of section 352 of this Act, which—

*Ante*, p. 909.

"(1) have been proved, but not allowed or disallowed, prior to the date of confirmation; or

"(2) are disputed or unliquidated, have been scheduled by the debtor, and are proved within such time as the court may direct; or

"(3) arise from the rejection of executory contracts by the debtor and are proved within such time as the court may direct.

Distribution of consideration if debts allowed; rights.

"SEC. 370. Upon the allowance of any debts specified in paragraphs (1), (2), and (3) of section 369 of this Act, the consideration, if any, deposited for them shall be distributed and the rights provided by the arrangement shall inure to the creditors to whom such debts are owing.

Discharge of debtor.

"SEC. 371. The confirmation of an arrangement shall discharge a debtor from all his unsecured debts and liabilities provided for by the arrangement, except as provided in the arrangement or the order confirming the arrangement, including the claims specified in section 354 of this Act, but excluding such debts as, under section 17 of this Act, are not dischargeable.

*Ante*, pp. 910, 851.

Final decree.

"SEC. 372. Upon the consummation of a proceeding under this chapter after confirmation of an arrangement, the court shall enter a final decree discharging the receiver or trustee, if any; closing the estate; and making such provisions, by way of injunction or otherwise, as may be equitable.

Dismissal and adjudication.

#### "ARTICLE X—DISMISSAL AND ADJUDICATION

If arrangement withdrawn, not accepted, etc.; action by court.

"SEC. 376. If an arrangement is withdrawn or abandoned prior to its acceptance, or is not accepted at the meeting of creditors or within such further time as the court may fix, or if the money or other consideration required to be deposited is not deposited or the

application for confirmation is not filed within the time fixed by the court, or if confirmation of the arrangement is refused, the court shall—

“(1) where the petition was filed under section 321 of this Act, enter an order dismissing the proceeding under this chapter and directing that the bankruptcy be proceeded with pursuant to the provisions of this Act; or

*Ante*, p. 907.

“(2) where the petition was filed under section 322 of this Act, enter an order, upon hearing after notice to the debtor, the creditors, and such other persons as the court may direct, either adjudging the debtor a bankrupt and directing that bankruptcy be proceeded with pursuant to the provisions of this Act or dismissing the proceeding under this chapter, whichever in the opinion of the court may be in the interest of the creditors.

*Ante*, p. 907.

“SEC. 377. Where the court has retained jurisdiction after the confirmation of an arrangement and the debtor defaults in any of the terms thereof or the arrangement terminates by reason of the happening of a condition specified in the arrangement, the court upon hearing after notice to the debtor, the creditors, and such other persons as the court may direct shall—

Default by debtor after confirmation; termination.

“(1) where the petition has been filed under section 321 of this Act, enter an order dismissing the proceeding under this chapter and adjudging the debtor a bankrupt, if not previously so adjudged, and directing that the bankruptcy be proceeded with pursuant to the provisions of this Act; or

*Ante*, p. 907.

“(2) where the petition has been filed under section 322 of this Act, enter an order either adjudging the debtor a bankrupt and directing that bankruptcy be proceeded with pursuant to the provisions of this Act or dismissing the proceeding under this chapter, whichever in the opinion of the court may be in the interest of the creditors.

*Ante*, p. 907.

“SEC. 378. Upon the entry of an order directing that bankruptcy be proceeded with—

Entry of order directing bankruptcy to be proceeded with.

“(1) in the case of a petition filed under section 321 of this Act, the bankruptcy proceeding shall be deemed reinstated and thereafter shall be conducted, so far as possible, as if such petition under this chapter had not been filed; and

“(2) in the case of a petition filed under section 322 of this Act, the proceeding shall be conducted, so far as possible, in the same manner and with like effect as if a voluntary petition for adjudication in bankruptcy had been filed and a decree of adjudication had been entered on the day when the petition under this chapter was filed; and the trustee nominated by creditors under this chapter shall be appointed by the court, or, if not so nominated or if the trustee so nominated fails to qualify within five days after notice to him of the entry of such order, a trustee shall be appointed as provided in section 44 of this Act.

*Ante*, p. 860.

“SEC. 379. No adjudication shall be entered under this chapter against a wage earner or farmer unless such person shall in writing file with the court consent to the adjudication.

Wage earners and farmers, consent to adjudication.

“SEC. 380. Upon the dismissal of a proceeding originated by a petition filed under section 322 of this Act, the court shall enter a final decree discharging the receiver, if any, and closing the estate.

Final decree.

*Ante*, p. 907.

#### “ARTICLE XI—ARRANGEMENTS, WHEN SET ASIDE OR MODIFIED

Arrangements, when set aside or modified.

“SEC. 386. If, upon the application of parties in interest filed at any time within six months after an arrangement has been confirmed, it shall be made to appear that fraud was practiced in the procuring

Fraud in procuring; powers of court.



of such arrangement and that knowledge of such fraud has come to the petitioners since the confirmation of such arrangement—

“(1) if the debtor has been guilty of or has participated in the fraud or has had knowledge thereof before the confirmation and has failed to inform the court of the fraud, the court may set aside the confirmation and thereupon, (a) where the petition was filed under section 321 of this Act, reinstate the pending bankruptcy proceeding, adjudge the debtor a bankrupt, if he has not already been so adjudged, and direct that the bankruptcy proceeding be proceeded with, or (b) where the petition was filed under section 322 of this Act, reinstate the proceeding, adjudge the debtor a bankrupt, and direct that bankruptcy be proceeded with pursuant to the provisions of this Act; or

“(2) the court may set aside the confirmation, reinstate the proceeding under the petition filed under this chapter, and hear and determine applications for leave to propose, within such time as the court may fix, alterations or modifications of the arrangement for the purpose of correcting the fraud; or

“(3) the court may reinstate the proceeding under the petition filed under this chapter and modify or alter the arrangement for the purpose of correcting the fraud, but may not materially modify or alter the arrangement adversely to the interests of any party who did not participate in the fraud and who does not consent to such modification or alteration, or to the prejudice of any innocent person, who, for value, subsequent to the confirmation, acquired rights in reliance upon it.

*Ante*, p. 907.

#### General provisions.

Suspension of statutes of limitation, etc., while proceeding pending.

“**SEC. 391.** All statutes of limitation affecting claims provable under this chapter and the running of all periods of time prescribed by this Act in respect to the commission of acts of bankruptcy, the recovery of preferences and the avoidance of liens and transfers shall be suspended while a proceeding under this chapter is pending and until it is finally dismissed.

#### Notices, how given.

“**SEC. 392.** Unless otherwise directed by the court, all notices required by this chapter may be given by mail to the parties entitled thereto to their addresses ascertained in the manner prescribed for other notices in section 58 of this Act.

*Ante*, p. 867.

Prohibitions relating to interstate commerce and the mails.  
48 Stat. 77.  
15 U. S. C. § 77e.  
Exemption of certain securities.  
Certain security transactions.

“**SEC. 393. a.** The provisions of section 5 of the Securities Act of 1933 shall not apply to—

“(1) any security issued by a receiver, trustee, or debtor in possession pursuant to section 344 of this Act; or

“(2) any transaction in any security issued pursuant to an arrangement in exchange for securities of or claims against the debtor or partly in such exchange and partly for cash and/or property, or issued upon exercise of any right to subscribe or conversion privilege so issued, except (a) transactions by an issuer or an underwriter in connection with a distribution otherwise than pursuant to the arrangement, and (b) transactions by a dealer as to securities constituting the whole or a part of an unsold allotment to or subscription by such dealer as a participant in a distribution of such securities by the issuer or by or through an underwriter otherwise than pursuant to the arrangement.

#### Terms defined.

“b. As used in this section, the terms ‘security’, ‘issuer’, ‘underwriter’, and ‘dealer’ shall have the meanings provided in section 2 of the Securities Act of 1933, and the term ‘Securities Act of 1933’ shall be deemed to refer to such Act as heretofore or hereafter amended.

48 Stat. 74.  
15 U. S. C. § 77b.

"SEC. 394. The clerk and, in the case of a reference, the referee after such reference, shall forthwith transmit to the Secretary of the Treasury copies of—

"(1) all petitions filed under sections 321 and 322 of this Act;

"(2) all notices given in a proceeding under this chapter;

"(3) all orders dismissing proceedings or directing that bankruptcy be proceeded with, discharging debtors, closing estates, and setting aside confirmations;

"(4) all orders appointing receivers or continuing debtors in possession;

"(5) all orders confirming arrangements, together with copies of such arrangements;

"(6) all orders approving alterations or modifications in arrangements, together with copies of such alterations or modifications;

"(7) all applications for allowances for compensation and expenses, and the orders making or refusing to make such allowances; and

"(8) such other papers filed in the proceedings as the Secretary of the Treasury may request or which the court may direct to be transmitted to him.

"Any order fixing the time for confirming an arrangement which affects claims of the United States shall include a notice to the Secretary of the Treasury of not less than fifteen days.

"SEC. 395. Except as provided in section 396 of this Act, no income or profit, taxable under any law of the United States or of any State now in force or which may hereafter be enacted, shall, in respect to the adjustment of the indebtedness of a debtor in a proceeding under this chapter, be deemed to have accrued to or to have been realized by a debtor or a corporation organized or made use of for effectuating an arrangement under this chapter by reason of a modification in or cancellation in whole or in part of any such indebtedness in a proceeding under this chapter: *Provided, however,* That if it shall be made to appear that the arrangement had for one of its principal purposes the evasion of any income tax, the exemption provided by this section shall be disallowed.

"SEC. 396. In determining the basis of property for any purposes of any law of the United States or of a State imposing a tax upon income, the basis of the debtor's property (other than money) or of such property (other than money) as is transferred to any person required to use the debtor's basis in whole or in part shall be decreased by an amount equal to the amount by which the indebtedness of the debtor, not including accrued interest unpaid and not resulting in a tax benefit on any income tax return, has been cancelled or reduced in a proceeding under this chapter. The Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe such regulations as he may deem necessary in order to reflect such decrease in basis for Federal income tax purposes and otherwise carry into effect the purposes of this section.

"SEC. 397. Any provision in this chapter to the contrary notwithstanding, all taxes which may be found to be owing to the United States or any State from a debtor within one year from the date of the filing of a petition under this chapter, and have not been assessed prior to the date of the confirmation of an arrangement under this chapter, and all taxes which may become owing to the United States or any State from a receiver or trustee of a debtor or from a debtor in possession, shall be assessed against, may be collected from, and shall be paid by the debtor or the corporation organized or made use of for effectuating an arrangement under this chapter: *Provided, however,* That the United States or any State may in writing accept

Transmittal of certain papers to Secretary of the Treasury.

*Ante*, p. 907.

Certain income, etc., not deemed to have accrued by reason of modification, etc., of indebtedness.

*Proviso.*  
If arrangement for purpose of tax evasion.

Determination of basis of property for income tax purposes.

Taxes owing within one year from filing petition and not assessed prior to confirmation of arrangement; payment.

*Proviso.*  
Acceptance of provisions dealing with assumption, etc., of tax.

the provisions of any arrangement dealing with the assumption, settlement, or payment of any such tax.

#### “ARTICLE XIII—WHEN CHAPTER TAKES EFFECT

When chapter  
takes effect.

“SEC. 399. (1) On and after the effective date of this amendatory Act, this chapter shall apply to debtors and their creditors, whether their rights, claims, and interests of any nature whatsoever have been acquired or created before or after such date;

“(2) a petition may be filed under this chapter in a proceeding in bankruptcy which is pending on the effective date of this amendatory Act;

30 Stat. 549; 47 Stat.  
1467.  
11 U. S. C. §§ 30, 201,  
202; Supp. III, § 202.

“(3) the provisions of sections 12, 73, and 74, as amended, of the Act entitled ‘An Act to establish a uniform system of bankruptcy throughout the United States’, approved July 1, 1898, shall continue in full force and effect with respect to proceedings pending under those sections upon the effective date of this amendatory Act; and

*Ante*, p. 915.

“(4) sections 395 and 396 of this Act shall apply to compositions and extensions confirmed under sections 12 and 74 before the effective date of this amendatory Act and to compositions and extensions which may be confirmed under sections 12 and 74 on and after such effective date.

Chapter XII—Real  
Property Arrange-  
ments by Persons  
Other Than Corpora-  
tions.  
Construction.

#### “CHAPTER XII—REAL PROPERTY ARRANGEMENTS BY PERSONS OTHER THAN CORPORATIONS

##### “ARTICLE I—CONSTRUCTION

Application.

“SEC. 401. The provisions of this chapter shall apply exclusively to proceedings under this chapter.

*Proviso.*  
*Exception.*  
*Ante*, p. 867.

“SEC. 402. The provisions of chapters I to VII, inclusive, of this Act shall, insofar as they are not inconsistent or in conflict with the provisions of this chapter, apply to proceedings under this chapter: *Provided, however*, That subdivision n of section 57 shall not apply in such proceedings unless an order shall be entered directing that bankruptcy be proceeded with pursuant to the provisions of chapters I to VII, inclusive. For the purposes of such application, provisions relating to ‘bankrupts’ shall be deemed to relate also to ‘debtors’, and ‘bankruptcy proceedings’ or ‘proceedings in bankruptcy’ shall be deemed to include proceedings under this chapter. For the purposes of such application the date of the filing of the petition in bankruptcy shall be taken to be the date of the filing of an original petition under section 422 of this Act, and the date of adjudication shall be taken to be the date of the filing of the petition under section 421 or 422 of this Act.

*Post*, p. 918.

##### “ARTICLE II—DEFINITIONS

Definitions.

“SEC. 406. For the purposes of this chapter, unless inconsistent with the context—

“Arrangement.”

“(1) ‘arrangement’ shall mean any plan which has for its primary purpose the alteration or modification of the rights of creditors or of any class of them, holding debts secured by real property or a chattel real of which the debtor is the legal or equitable owner;

“Claims.”

“(2) ‘claims’ shall include all claims of whatever character, against a debtor or his property, whether or not such claims are provable under section 63 of this Act and whether secured or unsecured, liquidated or unliquidated, fixed or contingent;

*Ante*, p. 873.

“Consideration.”

“(3) ‘consideration’ shall include evidences of indebtedness, either secured or unsecured, stock and certificates of beneficial interest therein, and certificates of beneficial interest in property;

"(4) 'executory contracts' shall include unexpired leases of real property;

"Executory contracts."

"(5) 'creditors' shall mean the holders of claims;

"Creditors."

"(6) 'debtor' shall mean a person, other than a corporation as defined in this Act, who could become a bankrupt under section 4 of this Act, who files a petition under this chapter and who is the legal or equitable owner of real property or a chattel real which is security for any debt, but shall not include a person whose only interest in property proposed to be dealt with by the arrangement is a right to redeem such property from a sale had before the filing of such petition;

"Debtor."

*Ante*, p. 845.

"(7) 'debts' shall include all claims;

"Debts."

"(8) 'indenture trustee' shall mean a trustee under a mortgage, deed of trust, or indenture, pursuant to which there are securities outstanding, other than voting trust certificates, constituting debts against a debtor or debts secured by a lien upon real property or a chattel real of which such debtor is the legal or equitable owner; and

"Indenture trustee."

"(9) 'petition' shall mean a petition filed under this chapter proposing an arrangement by a debtor.

"Petition."

"SEC. 407. Creditors or any class thereof shall be deemed to be 'affected' by an arrangement only if their or its interest shall be materially and adversely affected thereby. In the event of controversy, the court shall after hearing upon notice summarily determine whether any creditor or class is so affected.

Creditors "affected" by an arrangement.

### "ARTICLE III—JURISDICTION, POWERS, AND DUTIES OF THE COURT

"SEC. 411. Where not inconsistent with the provisions of this chapter, the court in which the petition is filed shall, for the purposes of this chapter, have exclusive jurisdiction of the debtor and his property, wherever located.

Jurisdiction, powers, and duties of court.

"SEC. 412. Where not inconsistent with the provisions of this chapter, the jurisdiction, powers, and duties of the court shall be the same—

"(1) where a petition is filed under section 421 of this Act, as if a decree of adjudication had been entered in the bankruptcy proceeding at the time the petition under this chapter was filed; and

*Post*, p. 918.

"(2) where a petition is filed under section 422 of this Act, as if a voluntary petition for adjudication in bankruptcy had been filed and a decree of adjudication had been entered at the time the petition under this chapter was filed.

*Post*, p. 918.

"SEC. 413. Upon the filing of a petition, the court may, in addition to the jurisdiction, powers, and duties hereinabove and elsewhere in this chapter conferred and imposed upon it—

"(1) permit the rejection of executory contracts of the debtor, upon notice to the parties to such contracts and to such other parties in interest as the court may designate;

"(2) upon such notice as the court may prescribe and upon cause shown, authorize the trustee or debtor in possession to lease or sell any property of the debtor, whether real or personal, upon such terms and conditions as the court may approve;

"(3) whenever under this chapter the court is required or permitted to fix a time for any purpose, the court may upon cause shown extend such time.

"SEC. 414. The court may, in addition to the relief provided by section 11 of this Act and elsewhere under this chapter, enjoin or stay until final decree the commencement or continuation of suits against a debtor and may, upon notice for cause shown, enjoin or

Power to enjoin or stay certain suits.  
*Ante*, p. 849.

stay until final decree any act or the commencement or continuation of any proceeding to enforce any lien upon any property of a debtor.

Designation of time, form, etc., of giving notice.

"SEC. 415. Whenever notice is to be given under this chapter, the court shall designate, if not otherwise specified hereunder, the time within which, the persons to whom, and the form and manner in which the notice shall be given. Any notice to be given under this chapter may be combined, whenever feasible, with any other notice or notices under this chapter.

Jurisdiction of appellate courts.

"SEC. 416. Where not inconsistent with the provisions of this chapter, the jurisdiction of appellate courts shall be the same as in a bankruptcy proceeding.

## Petition and stay.

## "ARTICLE IV—PETITION AND STAY

Petition by debtor in pending proceeding.

If no proceeding pending.

"SEC. 421. A debtor may file a petition under this chapter in a pending bankruptcy proceeding before his adjudication.

"SEC. 422. If no bankruptcy proceeding is pending, a debtor may file an original petition under this chapter with the court which would have jurisdiction of a petition for his adjudication.

Contents of petition.

"SEC. 423. A petition filed under this chapter shall state that the debtor is insolvent or unable to pay his debts as they mature, and shall set forth the terms of the arrangement proposed by him.

Accompanying papers, etc.

"SEC. 424. The petition shall be accompanied by—

"(1) a statement of the executory contracts of the debtor;  
 "(2) the schedules and statement of affairs, if not previously filed;  
 and

If pending proceeding, effect of petition on adjudication, etc.

"(3) payment to the clerk of the fees, if not already paid, required to be collected by the clerk under this Act.

"SEC. 425. A petition filed under section 421 of this Act shall not act as a stay of adjudication or of the administration of the estate, but the court may, upon application of the debtor and upon notice to all parties in interest, including the creditors' committee and the receiver or trustee, if any such has been appointed, grant a stay of adjudication or of the administration of the estate upon such terms as may be proper for the protection of the estate.

If no pending proceeding, filing of bond, etc.

"SEC. 426. Where a petition is filed under section 422 of this Act, the court may, upon hearing and after notice to the debtor and to such other persons as the court may direct, order the debtor to file a bond or undertaking, with such sureties as may be approved by the court and in such amount as the court may fix, to indemnify the estate against subsequent loss in the event of the entry of an order of adjudication under this chapter.

Failure to comply with order for indemnity.

"SEC. 427. Upon failure of the debtor to comply with such order for indemnity, as provided in section 426 of this Act, the court may, after hearing upon notice to the debtor, the creditors' committee, if any has been appointed, and to such other persons as the court may direct, either adjudge the debtor a bankrupt and direct that bankruptcy be proceeded with pursuant to the provisions of this Act or dismiss the proceedings under this chapter, as in the opinion of the court may be in the interest of the creditors.

Stay of proceedings to enforce liens.

"SEC. 428. Unless and until otherwise ordered by the court, upon hearing and after notice to the debtor and all other parties in interest, the filing of a petition under this chapter shall operate as a stay of any act or proceeding to enforce any lien upon the real property or chattel real of a debtor.

Proceedings subsequent to filing.

## "ARTICLE V—PROCEEDINGS SUBSEQUENT TO FILING OF PETITION

Reference of proceeding to referee.

"SEC. 431. The judge may refer the proceeding to a referee.

Appointment of trustee.

"SEC. 432. The court may, upon the application of any party in interest, appoint a trustee of the property of the debtor.

"SEC. 433. The court may, upon the application of the trustee or any party in interest, appoint one or more appraisers who shall prepare and file under oath an inventory and appraisal of the property of the debtor, and may prescribe how such inventory and appraisal shall be made.

Appointment of appraisers.

"SEC. 434. The court shall promptly call a meeting of creditors, upon at least ten days' notice by mail to the debtor, the creditors, and other parties in interest.

Meeting of creditors.

"SEC. 435. The notice of such meeting of creditors shall be accompanied by a copy of the proposed arrangement, a summary of the liabilities as shown by the schedules and a summary of the appraisal, if one has been made, or, if not made, a summary of the assets as shown by the schedules. Such notice may also name the time for the filing of the application to confirm the arrangement and the time for the hearing of the confirmation and of such objections as may be made to the confirmation.

Notice of meeting, accompanying information.

"SEC. 436. At such meeting, or at any adjournment thereof, the judge or referee—

Procedure.

"(1) shall preside;

"(2) may receive proofs of claim and allow or disallow them;

"(3) shall examine the debtor or cause him to be examined and hear witnesses on any matter relevant to the proceeding; and

"(4) shall receive and determine the written acceptances of creditors on a proposed arrangement, which acceptances may be obtained before or after the filing of a petition under this chapter.

"SEC. 437. At such meeting, or at any adjournment thereof, the judge or referee shall, after acceptance of the arrangement—

Duties of judge or referee at meeting, etc.

"(1) appoint the trustee, if any, or otherwise appoint some other person, to receive and distribute, subject to the control of the court, the moneys and consideration, if any, to be deposited, require such person to give bond with surety to be approved by the court in such amount as the court shall fix and fix the amount or rate of such person's compensation;

"(2) fix a time within which there shall be deposited, in such place as shall be designated by and subject to the order of the court, the consideration, if any, to be distributed to creditors, the money necessary to pay the costs, expenses, and compensation allowed by the court, unless and to the extent that such deposit shall be waived by the persons entitled to such costs, expenses, and compensation, and unless and to the extent that the court shall, in its discretion, allow security to be entered or deposited, upon such terms and conditions as the court may prescribe, in lieu of the deposit of such money;

"(3) fix a time for the filing of the application to confirm the arrangement and for a hearing on the confirmation thereof and on any objections to the confirmation, unless such times have already been named in the notice of the meeting or unless all creditors affected by the arrangement have accepted it.

#### "ARTICLE VI—TITLE, RIGHTS, DUTIES, AND POWERS OF DEBTOR AND OFFICERS

Title, rights, duties, and powers of debtor and officers.

"SEC. 441. A trustee, upon his appointment and qualification, shall be vested with the title of a trustee appointed under section 44 of this Act.

Title vested in trustee.  
*Ante*, p. 860.

"SEC. 442. Where not inconsistent with the provisions of this chapter, a trustee, upon his appointment and qualification, shall be vested with the rights, be subject to the duties, and exercise the powers of a trustee appointed under section 44 of this Act, and, if authorized by the court, shall have and may exercise such additional rights and powers as a receiver in equity would have if appointed by a court of the United States for the property of a debtor.

Rights, duties, etc., of trustee.

*Ante*, p. 860.

Duties, etc., of officers of court and debtor.

*Ante*, p. 918.

Rights, etc., of debtor if no trustee appointed.

Operation of business, etc., of debtor.

Certificates of indebtedness.

Creditors and claims.

Filing and allowance of proofs of claim.

Division of creditors into classes.

Hearings for purpose of classification.

Claims by indenture trustee.

*Proviso.*  
Computation of majority for acceptance of arrangement.

If United States a creditor.

"SEC. 443. Where not inconsistent with the provisions of this chapter, the powers and duties of the officers of the court and the rights, privileges, and duties of the debtor shall be the same, where a petition is filed under section 421 of this Act, as if a decree of adjudication had been entered in the pending bankruptcy proceeding at the time the petition under this chapter was filed, or, where a petition is filed under section 422 of this Act, as if a voluntary petition for adjudication in bankruptcy had been filed and a decree of adjudication had been entered at the time the petition under this chapter was filed.

"SEC. 444. Where no trustee is appointed, the debtor shall continue in possession of his property and shall have all the title and exercise all the powers of a trustee appointed under this chapter, subject, however, at all times to the control of the court and to such limitations, restrictions, terms, and conditions as the court may from time to time prescribe.

"SEC. 445. The trustee or the debtor in possession shall have the power, upon authorization by and subject to the control of the court, to operate the business and manage the property of the debtor during such period, limited or indefinite, as the court may from time to time fix, and during such operation or management shall file reports thereof with the court at such intervals as the court may designate.

"SEC. 446. During the pendency of a proceeding for an arrangement, or after the confirmation of the arrangement where the court has retained jurisdiction, the court may upon cause shown authorize the trustee or debtor in possession to issue certificates of indebtedness for cash, property, or other consideration approved by the court, upon such terms and conditions and with such security and priority in payment over existing obligations as in the particular case may be equitable.

#### "ARTICLE VII—CREDITORS AND CLAIMS

"SEC. 451. The court shall prescribe the manner in which and fix a time within which the proofs of claim of creditors may be filed and allowed. Objections by any party in interest to the allowance of any such claims shall be heard and summarily determined by the court.

"SEC. 452. For the purposes of the arrangement and its acceptance, the court may fix the division of creditors into classes according to the nature of their respective claims, and, in the event of controversy, the court shall after hearing upon notice summarily determine the controversy.

"SEC. 453. For the purposes of the classification, as provided in section 452 of this Act, the court shall, if necessary, upon the application of the trustee, the debtor, any creditor, or an indenture trustee, fix a hearing upon notice to the holders of secured claims, the debtor, the trustee, and such other persons as the court may designate, to determine summarily the value of the security and classify as unsecured the amount in excess of such value.

"SEC. 454. An indenture trustee may file claims for all holders, known or unknown, of securities issued pursuant to the instrument under which he is trustee, who have not filed claims: *Provided, however*, That in computing the majority necessary for the acceptance of the arrangement only the claims filed by the holders thereof, and allowed, shall be included.

"SEC. 455. If the United States is a secured or unsecured creditor of a debtor, the claim thereof shall be deemed to be affected by an arrangement under this chapter, and the Secretary of the Treasury is hereby authorized to accept or reject an arrangement in respect of the claims of the United States. If, in any proceeding under

this chapter, the United States is a secured or unsecured creditor on claims for taxes or customs duties (whether or not the United States has any other interest in, or claim against the debtor, as a secured or unsecured creditor), no arrangement which does not provide for the payment thereof shall be confirmed by the court, except upon the acceptance of a lesser amount by the Secretary of the Treasury certified to the court: *Provided*, That if the Secretary of the Treasury shall fail to accept or reject an arrangement for more than sixty days after receipt of written notice so to do from the court to which the arrangement has been proposed, accompanied by a certified copy of the arrangement, his consent shall be conclusively presumed.

*Proviso.*  
Presumption of consent to arrangement.

"SEC. 456. A creditor may act in person, by an attorney-at-law, or by a duly authorized agent or committee and, if he shall act by an agent or committee, the court shall examine and may disregard any provision of a power or warrant of attorney, deposit agreement, trust indenture and committee, or other authorization affecting such creditor, and enforce an accounting thereunder and restrain the exercise of any power which it finds to be unfair or not consistent with public policy.

Right of creditor to act by attorney, etc.

"SEC. 457. Where not inconsistent with the provisions of this chapter, the rights, duties, and liabilities of creditors and of all other persons with respect to the property of the debtor shall be the same, where a petition is filed under section 421 of this Act, as if a decree of adjudication had been entered in the pending bankruptcy proceeding at the time the petition under this chapter was filed, or, where a petition is filed under section 422 of this Act, as if a voluntary petition for adjudication in bankruptcy had been filed and a decree of adjudication had been entered at the time the petition under this chapter was filed.

Rights, duties, and liabilities of creditors, etc.

*Ante*, p. 918.

"SEC. 458. In case an executory contract shall be rejected pursuant to the provisions of an arrangement or to the permission of the court given in a proceeding under this chapter, or shall have been rejected by a receiver in bankruptcy or receiver in equity in a prior pending proceeding, any person injured by such rejection shall, for the purposes of this chapter and of the arrangement, its acceptance and confirmation, be deemed a creditor. The claim of the landlord for injury resulting from the rejection of an unexpired lease of real estate or for damages or indemnity under a covenant contained in such lease shall be provable, but shall be limited to an amount not to exceed the rent, without acceleration, reserved by such lease for the three years next succeeding the date of the surrender of the premises to the landlord or the date of reentry of the landlord, whichever first occurs, whether before or after the filing of the petition, plus unpaid accrued rent, without acceleration, up to the date of surrender or reentry: *Provided*, That the court shall scrutinize the circumstances of an assignment of a future rent claim and the amount of the consideration paid for such assignment in determining the amount of damages allowed the assignee thereof.

Rejection of executory contract; status of injured person.

Limitation on claim of landlord.

*Proviso.*  
Assignee of future rent claim, damages.

"SEC. 459. Upon the entry of an order under the provisions of this chapter directing that bankruptcy be proceeded with, only such claims as are provable under section 63 of this Act shall be allowed, and claims not already filed may be filed within three months after the first date set for the first meeting of creditors, held pursuant to section 55 of this Act.

Order directing bankruptcy to be proceeded with, claims allowed.

*Ante*, p. 873.

*Ante*, p. 865.

#### "ARTICLE VIII—PROVISIONS OF ARRANGEMENT

"SEC. 461. An arrangement—

"(1) shall include provisions modifying or altering the rights of creditors who hold debts secured by real property or a chattel real

Provisions of arrangement.



of a debtor, generally or of a class of them, either through the issuance of new securities of any character or otherwise;

"(2) shall provide for the rights of all other creditors of a debtor who may be affected by the arrangement;

"(3) may provide for treatment of unsecured debts on a parity one with the other, or for the division of such debts into classes and the treatment thereof in different ways or upon different terms;

"(4) may provide for the rejection of any executory contract;

"(5) may provide for the continuation of debtor's business and the management of his property with or without supervision or control by a trustee or by a committee of creditors or otherwise;

"(6) may provide for payment of debts incurred after the filing of the petition and during the pendency of the arrangement, in priority over the debts affected by such arrangement;

"(7) may deal with all or any part of his property;

"(8) shall provide for the payment of all costs and expenses of administration and other allowances which may be approved or made by the judge;

"(9) shall specify what debts, if any, are to be paid in cash in full;

"(10) shall specify the creditors or any class of them not to be affected by the arrangement and the provisions, if any, with respect to them;

"(11) shall provide for any class of creditors which is affected by and does not accept the arrangement by the two-thirds majority in amount required under this chapter, adequate protection for the realization by them of the value of their debts against the property dealt with by the arrangement and affected by such debts, either, as provided in the arrangement or in the order confirming the arrangement, (a) by the transfer or sale, or by the retention by the debtor, of such property subject to such debts; or (b) by a sale of such property free of such debts, at not less than a fair upset price, and the transfer of such debts to the proceeds of such sale; or (c) by appraisal and payment in cash of the value of such debts; or (d) by such method as will, under and consistent with the circumstances of the particular case, equitably and fairly provide such protection;

"(12) shall provide adequate means for the execution of the arrangement, which may include: the retention by the debtor of all or any part of his property; the sale or transfer of all or any part of his property in trust or to one or more corporations theretofore organized or thereafter to be organized; the sale of all or any part of his property, either subject to or free from any lien, at not less than a fair upset price and the distribution of all or any assets, or the proceeds derived from the sale thereof, among those having an interest therein; the satisfaction or modification of liens; the cancelation or modification of indentures or of other similar instruments; the curing or waiver of defaults; the extension of maturity dates and changes in interest rates and other terms of outstanding securities; the issuance of trust securities or securities of the debtor or of such corporation or corporations for cash, for property, in exchange for existing securities, in satisfaction of debts, or for other appropriate purposes; and

"(13) may include any other appropriate provisions not inconsistent with the provisions of this chapter.

Proposal, confirmation, and consummation of arrangement.

#### "ARTICLE IX—PROPOSAL, CONFIRMATION, AND CONSUMMATION OF ARRANGEMENT

Proposal by creditor; per centum of debt required.

"SEC. 466. An arrangement which has been approved by creditors affected thereby, who hold debts against the property dealt with therein, amounting to 25 per centum or more of the debts of some

class of such creditors and 10 per centum or more of the debts of all such creditors, may be proposed by any such creditor.

"SEC. 467. An arrangement which at the meeting of creditors, as provided in section 436 of this Act, has been accepted in writing by all creditors affected thereby, whether or not their claims have been proved, shall be confirmed by the court when there shall have been made the deposit required under this chapter and under the arrangement, and if the court is satisfied that the arrangement and its acceptance are in good faith and have not been made or procured by any means, promises, or acts forbidden by this Act.

Arrangement accepted at meeting of creditors, confirmation.  
*Ante*, p. 919.

"SEC. 468. If an arrangement has not been so accepted, an application for the confirmation of an arrangement may be filed with the court within such time as the court shall have fixed in the notice of such meeting, or at or after such meeting and after, but not before—

If arrangement not accepted, application for confirmation.

"(1) it has been accepted in writing by the creditors of each class, holding two-thirds in amount of the debts of such class affected by the arrangement proved and allowed before the conclusion of the meeting, or before such other time as may be fixed by the court, exclusive of creditors or of any class of them who are not affected by the arrangement or for whom payment or protection has been provided as prescribed in paragraph (11) of section 461 of this Act; and

"(2) the deposit required under this chapter and under the arrangement has been made.

"SEC. 469. Alterations or modifications of an arrangement may be proposed in writing, with leave of court, either before or after its confirmation, by a debtor, or by any creditor as provided in section 466 of this Act.

Proposals for alterations or modifications.

"SEC. 470. Unless the court finds that the proposed alteration or modification does not materially and adversely affect the interest of any creditor who has not in writing assented thereto, the court shall adjourn the meeting or, if closed, reopen the meeting, and may enter an order that any creditor who accepted the arrangement and who fails to file with the court, within such time as shall be fixed in the order, his rejection of the altered or modified arrangement, shall be deemed to have accepted the alteration or modification and the arrangement so altered or modified, unless the previous acceptance provides otherwise.

Presumption of acceptance by creditor.

"SEC. 471. At least ten days' notice of the adjourned or reopened meeting, together with a copy of the order, if entered, and of the proposed alteration or modification, shall be given to the debtor, the creditors, and other parties in interest.

Length of time of notice.

"SEC. 472. The court shall confirm an arrangement if satisfied that—

Findings by court; confirmation.

"(1) the provisions of this chapter have been complied with;

"(2) it is for the best interests of creditors;

"(3) it is fair and equitable, and feasible;

"(4) the debtor has not been guilty of any of the acts or failed to perform any of the duties which would be a bar to the discharge of a bankrupt;

"(5) the proposal and its acceptance are in good faith and have not been made or procured by any means, promises, or acts forbidden by this Act; and

"(6) all payments made or promised by the debtor, by any person issuing securities or acquiring property under the arrangement or by any other person, for services and for costs and expenses in, or in connection with, the proceeding or in connection with and incident to the arrangement, have been fully disclosed to the court and are reasonable, or, if to be fixed after confirmation of the arrangement, will be subject to the approval of the court.

Effect of confirmation of arrangement.

**"SEC. 473. Upon confirmation of an arrangement—**

"(1) the arrangement and its provisions shall be binding upon the debtor, upon any person issuing securities or acquiring property under the arrangement, and upon all creditors of the debtor, whether or not they are affected by the arrangement or have accepted it or have filed their claims, and whether or not their claims have been scheduled or allowed and are allowable;

"(2) the debtor, and any corporation or trust organized or to be organized for the purpose of carrying out the arrangement, shall comply with the provisions of the arrangement and with all the orders of the court relative thereto and shall take all action necessary to carry out the arrangement;

"(3) distribution shall be made, in accordance with the provisions of the arrangement, to the creditors, proofs of whose claims have been filed prior to the date fixed by the court and are allowed, or, if not so filed, whose claims have been scheduled by the debtor as fixed debts, liquidated in amount and not disputed: *Provided, however,* That where such debts are objected to by any party in interest, the objections shall be heard and summarily determined by the court.

*Proriso.*  
Objections to debts.

Transfer of property upon confirmation; freedom from debts.

**"SEC. 474. Upon confirmation of an arrangement, the property dealt with by the arrangement, when transferred by the trustee appointed under this chapter to the debtor, or to a trustee or corporation provided for by the arrangement, or, if no trustee has been appointed under this chapter, when transferred by the debtor to a trustee or corporation provided for by the arrangement, or when retained by the debtor, as the case may be, shall be free and clear of all debts affected by the arrangement, except such debts as may otherwise be provided for in the arrangement or in the order confirming the arrangement or in the order directing or authorizing the transfer or retention of such property.**

Exception.

Execution of instruments to effect retention or transfer of property.

**"SEC. 475. The court may direct the debtor, his trustee, any mortgagees, indenture trustees, and other necessary parties to execute and deliver or to join in the execution and delivery of such instruments as may be requisite to effect a retention or transfer of the property dealt with by the arrangement which has been confirmed, and to perform such other acts, including the satisfaction of liens, as the court may deem necessary for the consummation of the arrangement.**

Discharge of debtor.

**"SEC. 476. The confirmation of an arrangement shall discharge a debtor from his debts and liabilities provided for by the arrangement, except as provided in the arrangement or the order confirming the arrangement, excluding such debts as are not dischargeable under section 17 of this Act.**

*Ante*, p. 851.

Final decree.

**"SEC. 477. Upon the consummation of a proceeding under this chapter, after confirmation of an arrangement, the court shall enter a final decree discharging the trustee, if any, closing the estate, and making such provisions, by way of injunction or otherwise, as may be equitable.**

Dismissal and adjudication.

**"ARTICLE X—DISMISSAL AND ADJUDICATION**

If arrangement withdrawn, not accepted, etc.; action by court.

**"SEC. 481. If an arrangement is withdrawn or abandoned prior to its acceptance and no other arrangement is pending, or if no arrangement is accepted at the meeting of creditors or within such further time as the court may fix, or if the money or other consideration required to be deposited is not deposited or the application for confirmation is not filed within the time fixed by the court, or if confirmation of the arrangement is refused, the court shall—**

*Ante*, p. 918.

**"(1) where the petition was filed under section 421 of this Act, enter an order dismissing the proceeding under this chapter and**

directing that the bankruptcy be proceeded with pursuant to the provisions of this Act; or

“(2) where the petition was filed under section 422 of this Act, enter an order upon hearing after notice to the debtor, the creditors, and such other persons as the court may direct, either adjudging the debtor a bankrupt and directing that bankruptcy be proceeded with pursuant to the provisions of this Act or dismissing the proceeding under this chapter, whichever in the opinion of the court may be in the interest of the creditors.

*Ante*, p. 918.

“SEC. 482. Where the court has retained jurisdiction after the confirmation of an arrangement and the debtor defaults in any of the terms thereof or the arrangement terminates by reason of the happening of a condition specified in the arrangement, the court upon hearing after notice to the debtor, the creditors and such other persons as the court may direct shall—

Default by debtor after confirmation; termination.

“(1) where the petition has been filed under section 421 of this Act, enter an order dismissing the proceeding under this chapter and adjudging the debtor a bankrupt and directing that the bankruptcy proceeding be proceeded with pursuant to the provisions of this Act; or

*Ante*, p. 918.

“(2) where the petition has been filed under section 422 of this Act, enter an order either adjudging the debtor a bankrupt and directing that bankruptcy be proceeded with pursuant to the provisions of this Act or dismissing the proceeding under this chapter, whichever in the opinion of the court may be in the interest of the creditors.

*Ante*, p. 918.

“SEC. 483. Upon the entry of an order directing that bankruptcy be proceeded with—

Entry of order directing bankruptcy to be proceeded with.

“(1) in the case of a petition filed under section 421 of this Act, the bankruptcy proceeding shall be deemed reinstated and thereafter shall be conducted, so far as possible, as if such petition under this chapter had not been filed; and

*Ante*, p. 918.

“(2) in the case of a petition filed under section 422 of this Act, the proceeding shall thereafter be conducted, so far as possible, in the same manner and with like effect as if a voluntary petition for adjudication had been filed and a decree of adjudication had been entered on the day when such original petition under this chapter was filed.

*Ante*, p. 918.

“SEC. 484. No adjudication shall be entered under this chapter against a wage earner or farmer unless such person shall in writing filed with the court consent to the adjudication.

Wage earners and farmers, consent to adjudication.

“SEC. 485. Upon the dismissal of a proceeding originated by a petition filed under section 422 of this Act, the court shall enter a final decree discharging the trustee, if any, and closing the estate.

Final decree.  
*Ante*, p. 918.

#### “ARTICLE XI—COMPENSATION AND ALLOWANCES

“SEC. 491. The judge may allow reasonable compensation for services rendered and reimbursement for proper costs and expenses incurred in a proceeding under this chapter—

Compensation and allowances.

“(1) by a referee;

“(2) by the trustee and other officers, and the attorneys for any of them; and

“(3) by the attorney for the debtor.

“Such compensation of referees and trustees shall not be governed by sections 40 and 48 of this Act.

*Ante*, pp. 859, 861.

“SEC. 492. The judge may allow reasonable compensation for services rendered and reimbursement for proper costs and expenses incurred in connection with the administration of an estate in a

Administration of estate.

proceeding under this chapter or in connection with an arrangement confirmed by the court—

“(1) by indenture trustees, depositaries, reorganization managers and committees or representatives of creditors;

“(2) by any other parties in interest; and

“(3) by the attorneys or agents for any of the foregoing.

Petition filed in pending proceeding, compensation for services, etc.

*Ante*, p. 918.

*Ante*, p. 862.

“SEC. 493. Where a petition is filed under section 421 of this Act, the judge may allow, if not already allowed, reasonable compensation for services rendered and reimbursement for proper costs and expenses incurred in such bankruptcy proceeding—

“(1) by a marshal or receiver, as provided in subdivision f of section 48 of this Act, and the attorney for any of them;

“(2) by the attorney for the petitioning creditors;

“(3) by the attorney for the bankrupt; and

“(4) by any other persons and the attorneys for any of them entitled under this Act to compensation or reimbursement in such bankruptcy proceeding.

Referee, compensation for services, etc.

*Ante*, p. 859.

“SEC. 494. Where a petition is filed under section 421 of this Act, the judge may allow reasonable compensation for services rendered and the proper costs and expenses incurred in such bankruptcy proceeding by a referee in bankruptcy. In fixing such compensation, the judge shall not be restricted by the provisions of section 40 of this Act.

Dismissal of proceeding or entry of order adjudging debtor bankrupt, allowance for services, etc.

“SEC. 495. Upon the dismissal of a proceeding under this chapter or the entry of an order adjudging the debtor a bankrupt, the judge may allow reasonable compensation for services rendered and reimbursement for proper costs and expenses incurred in such proceeding prior to such dismissal or order of adjudication by any persons entitled thereto, as provided in this chapter, and shall make provision for the payment thereof and for the payment of all proper costs and expenses incurred by officers in such proceedings.

Hearings on applications for allowances.

“SEC. 496. The judge shall fix a time of hearing for the consideration of applications for allowances, of which hearing notice shall be given to the applicants, the trustee, the debtor, the creditors, the indenture trustees, and such other persons as the judge may designate, except that, in the case of allowances for services and reimbursement in a superseded bankruptcy proceeding, notice need be given only to the applicants, the debtor, the trustee, and the unsecured creditors, and may be given to such other classes of creditors or other persons as the judge may designate.

Dismissal of proceeding, etc.; certain compensation deemed allowed in bankruptcy proceeding.

“SEC. 497. In the case of the dismissal of a proceeding under this chapter and the entry of an order therein directing that a superseded bankruptcy be proceeded with, the compensation allowed by the judge, in the course of the proceeding under this chapter, to the referee, marshal, or receiver in the bankruptcy proceeding for services rendered by him in such bankruptcy proceeding shall be deemed to have been allowed in such bankruptcy proceeding, and such compensation shall be considered in connection with the making of future allowances therein or shall be readjusted, so as to comply with the provisions of this Act fixing their compensation in a bankruptcy proceeding.

Appeals from orders making or refusing allowances.

“SEC. 498. Appeals may be taken in matters of law or fact from orders making or refusing to make allowances of compensation or reimbursement, and may, in the manner and within the time provided for appeals by this Act, be taken to and allowed by the circuit court of appeals independently of other appeals in the proceeding, and shall be summarily heard upon the original papers.

## "ARTICLE XII—PRIOR PROCEEDINGS

Prior proceedings.

"SEC. 506. A petition may be filed under this chapter notwithstanding the pendency of a prior mortgage foreclosure, equity, or other proceeding in a court of the United States or of any State in which a receiver or trustee of all or any part of the property of a debtor has been appointed or for whose appointment an application has been made.

Filing of petition.

"SEC. 507. Such prior proceeding shall be stayed by the filing of a petition under this chapter. The trustee appointed under this chapter, upon his qualification, or, if a debtor is continued in possession, the debtor, shall become vested with the rights, if any, of such prior receiver or trustee in such property and with the right to the immediate possession thereof. The trustee or debtor in possession shall also have the right to immediate possession of all real property and chattels real of the debtor in the possession of a trustee under a trust deed or a mortgagee under a mortgage.

Stay.

"SEC. 508. The judge shall make such provision as may be equitable for the protection of the obligations incurred by a receiver or trustee in such prior proceeding and for the payment of the reasonable compensation for services rendered and of the proper costs and expenses incurred therein as may be allowed by the judge.

Protection of incurred obligations.

"SEC. 509. Upon a dismissal of a proceeding under this chapter, such prior proceeding shall become reinstated and the judge shall allow the reasonable costs and expenses under this chapter, including the allowances provided for in article XI of this chapter, and shall make appropriate provision for the retransfer of such property to the person or persons entitled thereto upon such terms as may be equitable for the protection of the obligations incurred in the proceedings under this chapter by the trustee or debtor in possession, and for the payment of the costs and expenses of the proceedings.

Reinstatement.

## "ARTICLE XIII—ARRANGEMENTS, WHEN SET ASIDE OR MODIFIED

Arrangements, when set aside or modified.

"SEC. 511. If, upon the application of parties in interest filed at any time within six months after an arrangement has been confirmed, it shall be made to appear that fraud was practiced in the procuring of such arrangement and that knowledge of such fraud has come to the petitioners since the confirmation of such arrangement:

Fraud; application by parties in interest.

"(1) if the debtor has been guilty of or has participated in the fraud or has had knowledge thereof before the confirmation and has failed to inform the court of the fraud, the court may set aside the confirmation and thereupon (a) where the petition was filed under section 421 of this Act, reinstate the pending bankruptcy proceeding, adjudge the debtor a bankrupt and direct that the bankruptcy proceeding be proceeded with; or (b) where the petition was filed under section 422 of this Act, reinstate the proceeding, adjudge the debtor a bankrupt, and direct that bankruptcy be proceeded with pursuant to the provisions of this Act; or

Powers of court.

"(2) the court may set aside the confirmation, reinstate the proceeding under the petition filed under this chapter, and hear and determine applications for leave to propose, within such time as the court may fix, alterations or modifications of the arrangement for the purpose of correcting the fraud; or

Ante, p. 918.

"(3) the court may reinstate the proceeding under the petition filed under this chapter and modify or alter the arrangement for the purpose of correcting the fraud, but may not materially modify or alter the arrangement adversely to the interests of any party who did not participate in the fraud and who does not consent to such

modification or alteration, or to the prejudice of any innocent person who, for value, subsequent to the confirmation, acquired rights in reliance upon it.

## General provisions.

## "ARTICLE XIV—GENERAL PROVISIONS

Suspension of running of statutes of limitation, etc.

"SEC. 516. All statutes of limitation affecting claims provable under this chapter and the running of all periods of time prescribed by this Act in respect to the commission of acts of bankruptcy, the recovery of preferences, and the avoidance of liens and transfers shall be suspended while a proceeding under this chapter is pending and until it is finally dismissed.

Creditors of debtor under mortgage under National Housing Act.

48 Stat. 1246.  
12 U. S. C. §§ 1701-1732; Supp. III, ch. 13.  
*Ante*, p. 8.  
Other secured obligations.

"SEC. 517. Nothing contained in this chapter shall be deemed to affect or apply to the creditors of any debtor under a mortgage insured pursuant to the National Housing Act and Acts amendatory thereof and supplementary thereto; nor shall its provisions be deemed to allow extension or impairment of any secured obligation held by Home Owners' Loan Corporation or by any Federal Home Loan Bank or member thereof.

48 Stat. 77.  
15 U. S. C. § 77e.

"SEC. 518. a. The provisions of section 5 of the Securities Act of 1933 shall not apply to—

Certain securities exempted.  
*Ante*, p. 920.

Certain security transactions exempted.

"(1) any security issued by a trustee or debtor in possession pursuant to section 446 of this Act; or

"(2) any transaction in any security issued pursuant to an arrangement in exchange for securities of or claims against the debtor or partly in such exchange and partly for cash and/or property, or issued upon exercise of any right to subscribe or conversion privilege so issued, except (a) transactions by an issuer or an underwriter in connection with a distribution otherwise than pursuant to the arrangement, and (b) transactions by a dealer as to securities constituting the whole or a part of an unsold allotment to or subscription by such dealer as a participant in a distribution of such securities by the issuer or by or through an underwriter otherwise than pursuant to the arrangement.

## Terms defined.

48 Stat. 74.  
15 U. S. C. § 77b.

Transmittal of certain papers to Secretary of the Treasury.

*Ante*, p. 918.

"b. As used in this section, the terms 'security', 'issuer', 'underwriter', and 'dealer' shall have the meanings provided in section 2 of the Securities Act of 1933, and the term 'Securities Act of 1933' shall be deemed to refer to such Act as heretofore or hereafter amended.

"SEC. 519. The clerk and, in the case of a reference, the referee after such reference, shall forthwith transmit to the Secretary of the Treasury copies of—

"(1) all petitions filed under sections 421 and 422 of this Act;

"(2) all notices given in a proceeding under this chapter;

"(3) all orders dismissing proceedings or directing that bankruptcy be proceeded with, discharging debtors, closing estates and setting aside confirmations;

"(4) all orders appointing trustees or continuing debtors in possession;

"(5) all orders determining the time within which claims of creditors may be filed and allowed and the division of creditors into classes;

"(6) all orders confirming arrangements, together with copies of such arrangements;

"(7) all orders approving alterations or modifications in arrangements, together with copies of such alterations or modifications;

"(8) all applications for allowances for compensation and expenses, and the orders making or refusing to make such allowances; and

"(9) such other papers filed in the proceedings as the Secretary of the Treasury may request or which the court may direct to be transmitted to him.

"Any order fixing the time for confirming an arrangement which affects claims of the United States shall include a notice to the Secretary of the Treasury of not less than thirty days.

"SEC. 520. Except as provided in section 522 of this Act, no income or profit, taxable under any law of the United States or of any State now in force or which may hereafter be enacted, shall, in respect to the adjustment of the indebtedness of a debtor in a proceeding under this chapter, be deemed to have accrued to or to have been realized by a debtor, by a trustee provided for in an arrangement under this chapter, or by a corporation organized or made use of for effectuating an arrangement under this chapter by reason of a modification in or cancellation in whole or in part of any of the indebtedness of the debtor in an arrangement consummated under this chapter.

Certain income, etc., not deemed to have accrued by reason of modification, etc., of indebtedness.

"SEC. 521. Where it appears that an arrangement has for one of its principal purposes the evasion of taxes, objection to its confirmation may be made on that ground by the Secretary of the Treasury or, in the case of a State, by the corresponding official or other person so authorized. Such objections shall be heard and determined by the judge, independently of other objections which may be made to the confirmation of the arrangement, and, if the judge shall be satisfied that such purpose exists, he shall refuse to confirm the arrangement.

Where arrangement is for purpose of tax evasion.

"SEC. 522. In determining the basis of property for any purposes of any law of the United States or of a State imposing a tax upon income, the basis of the debtor's property (other than money) or of such property (other than money) as is transferred to any person required to use the debtor's basis in whole or in part shall be decreased by an amount equal to the amount by which the indebtedness of the debtor, not including accrued interest unpaid and not resulting in a tax benefit on any income tax return, has been cancelled or reduced in a proceeding under this chapter. The Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe such regulations as he may deem necessary in order to reflect such decrease in basis for Federal income tax purposes and otherwise carry into effect the purposes of this section.

Determination of basis of property for income tax purposes.

"SEC. 523. Any provision in this chapter to the contrary notwithstanding, all taxes which may be found to be owing to the United States or any State from a debtor within one year from the date of the filing of a petition under this chapter and have not been assessed prior to the date of the confirmation of an arrangement under this chapter, and all taxes which may become owing to the United States or any State from a trustee of a debtor or from a debtor in possession, shall be assessed against, may be collected from and shall be paid by the debtor, or the corporation organized or the trustee or corporation made use of for effectuating an arrangement under this chapter: *Provided, however,* That the United States or any State may in writing accept the provisions of any arrangement dealing with the assumption, settlement, or payment of any such tax.

Taxes found owing within one year of filing petition, assessment and payment.

*Proviso.*  
Settlement, etc.

#### "ARTICLE XV—WHEN CHAPTER TAKES EFFECT

"SEC. 526. (1) On and after the effective date of this amendatory Act, this chapter shall apply to debtors and their creditors, whether their rights, claims, and interests of any nature whatsoever have been acquired or created before or after such date;

When chapter takes effect.

"(2) a petition may be filed under this chapter in a proceeding in bankruptcy which is pending on such date, and a petition may be filed under this chapter notwithstanding the pendency on such date of a proceeding in which a receiver or trustee of all or any part of



the property of a debtor has been appointed or for whose appointment application has been made in a court of the United States or of any State;

30 Stat. 544; 47 Stat. 1407.  
11 U. S. C. §§ 201, 202; Supp. III, § 202.

“(3) the provisions of sections 73 and 74, as amended, of the Act entitled ‘An Act to establish a uniform system of bankruptcy throughout the United States’, approved July 1, 1898, shall continue in full force and effect with respect to proceedings pending under those sections upon the effective date of this amendatory Act; and

*Ante*, p. 929.

“(4) sections 520 and 522 of this Act shall apply to compositions and extensions confirmed under section 74 before the effective date of this amendatory Act and to compositions and extensions which may be confirmed under section 74 on and after such effective date, except that the exemption provided by section 520 of this Act may be disallowed if it shall be made to appear that such composition or extension, or composition and extension, had for one of its principal purposes the avoidance of income taxes, and except further that where such composition or extension, or composition and extension, has not been confirmed on or after such effective date, section 521 of this Act shall apply where practicable and expedient.

Chapter XIII—  
Wage Earners’ Plans.

“CHAPTER XIII—WAGE EARNERS’ PLANS

Construction.

“ARTICLE I—CONSTRUCTION

Application.

“SEC. 601. The provisions of this chapter shall apply exclusively to proceedings under this chapter.

*Proviso.*  
*Exception.*  
*Ante*, p. 882.

“SEC. 602. The provisions of chapters I to VII, inclusive, of this Act shall, insofar as they are not inconsistent or in conflict with the provisions of this chapter, apply in proceedings under this chapter: *Provided, however*, That subsection f of section 70 shall not apply in such proceedings unless an order shall be entered directing that bankruptcy be proceeded with pursuant to the provisions of chapters I to VII, inclusive. For the purposes of such application, provisions relating to ‘bankrupts’ shall be deemed to relate also to ‘debtors’, and ‘bankruptcy proceedings’ or ‘proceedings in bankruptcy’ shall be deemed to include proceedings under this chapter. For the purposes of such application the date of the filing of the petition in bankruptcy shall be taken to be the date of the filing of an original petition under section 622 of this Act, and the date of adjudication shall be taken to be the date of the filing of the petition under section 621 or 622 of this Act except where an adjudication had previously been entered.

*Post*, p. 931.

“ARTICLE II—DEFINITIONS

Definitions.

“SEC. 606. For the purposes of this chapter, unless inconsistent with the context—

“Claims.”

“(1) ‘claims’ shall include all claims of whatever character against the debtor or his property, whether or not provable as debts under section 63 of this Act and whether secured or unsecured, liquidated or unliquidated, fixed or contingent, but shall not include claims secured by estates in real property or chattels real;

*Ante*, p. 873.

“Creditor.”

“(2) ‘creditor’ shall mean the holder of any claim;

“Debtor.”

“(3) ‘debtor’ shall mean a wage earner who filed a petition under this chapter;

“Debts.”

“(4) ‘debts’ shall include all claims;

“Executory contracts.”

“(5) ‘executory contracts’ shall include unexpired leases of real property;

“Petition.”

“(6) ‘petition’ shall mean a petition filed under this chapter by a wage earner desiring to effect a plan for a composition or extension of time for the payment of his debts, or both;

"(7) 'plan' shall mean a plan for a composition or extension, or both, proposed in a proceeding under this chapter; and

"(8) 'wage earner' shall mean an individual who works for wages, salary, or hire at a rate of compensation which, when added to all his other income, does not exceed \$3,600 per year.

"SEC. 607. A creditor shall be deemed to be 'affected' by a plan only if his interest shall be materially and adversely affected thereby. In the event of controversy, the court shall, after hearing upon notice, summarily determine whether any creditor is so affected.

#### "ARTICLE III—JURISDICTION, POWERS, AND DUTIES OF THE COURT

"SEC. 611. Where not inconsistent with the provisions of this chapter, the court in which the petition is filed shall, for the purposes of this chapter, have exclusive jurisdiction of the debtor and his property, wherever located, and of his earnings and wages during the period of consummation of the plan.

"SEC. 612. Where not inconsistent with the provisions of this chapter, the jurisdiction, powers, and duties of the court shall be the same—

"(1) where a petition is filed under section 621 of this Act and a decree of adjudication has not been entered in the pending bankruptcy proceeding, as if a decree of adjudication had been entered in such bankruptcy proceeding at the time the petition under this chapter was filed, or

"(2) where a petition is filed under section 622 of this Act, as if a voluntary petition for adjudication in bankruptcy had been filed and a decree of adjudication had been entered at the time the petition under this chapter was filed.

"SEC. 613. Upon the filing of a petition, the court may, in addition to the jurisdiction, powers, and duties hereinabove and elsewhere in this chapter conferred and imposed upon it—

"(1) permit the rejection of executory contracts of the debtor, upon notice to the parties to such contracts and to such other parties in interest as the court may designate;

"(2) extend upon cause shown any time which under this chapter the court is required or permitted to fix for any purpose.

"SEC. 614. The court may, in addition to the relief provided by section 11 of this Act and elsewhere under this chapter, enjoin or stay until final decree the commencement or continuation of suits other than suits to enforce liens upon the property of a debtor, and may, upon notice and for cause shown, enjoin or stay until final decree any act or the commencement or continuation of any proceeding to enforce any lien upon the property of a debtor.

"SEC. 615. Whenever notice is to be given under this chapter, the court shall designate, if not otherwise specified hereunder, the time within which, the persons to whom, and the form and manner in which the notice shall be given. Any notice to be given under this chapter may be combined, whenever feasible, with any other notice or notices under this chapter.

"SEC. 616. Where not inconsistent with the provisions of this chapter, the jurisdiction of appellate courts shall be the same as in a bankruptcy proceeding.

#### "ARTICLE IV—PETITION AND STAY

"SEC. 621. A debtor may file a petition under this chapter in a pending bankruptcy proceeding either before or after his adjudication.

"SEC. 622. If no bankruptcy proceeding is pending, a debtor may file an original petition under this chapter with the court which would have jurisdiction of a petition for his adjudication.

"Plan."

"Wage earner."

Creditor "affected" by a plan.

Jurisdiction, powers, and duties of court.

Exclusive jurisdiction of debtor and his property, etc.

Adjudication provisions.

Additional powers, etc.

Power to enjoin or stay suits, etc.  
*Ante*, p. 849.

Designation of time, form, etc., of giving notice.

Jurisdiction of appellate courts.

Petition and stay.

Filing of petition in pending bankruptcy proceeding.

If no pending proceeding.

Contents of petition.

Accompanying papers, etc.

*Ante*, pp. 859, 864.  
Stay of adjudication or administration.

Bond to indemnify against loss during stay.

Proceedings subsequent to filing of petition.  
Reference of proceeding to referee.  
Meeting of creditors.

Procedure.

Rights, duties, and powers of debtor and officers.

"SEC. 623. A petition filed under this chapter shall state that the debtor is insolvent or unable to pay his debts as they mature and that he desires to effect a composition or an extension, or both, out of his future earnings or wages.

"SEC. 624. The petition shall be accompanied—

"(1) by a statement of the executory contracts of the debtor;

"(2) by the schedules and statement of affairs, if not previously filed; and

"(3) where a petition is filed under section 622 of this Act, by payment to the clerk of \$15 to be distributed, \$10 to the referee and \$5 to the clerk in lieu of the fees of \$15 and \$10 as prescribed in sections 40 and 52 of this Act.

"SEC. 625. A petition filed under section 621 of this Act shall act as a stay of adjudication or of administration of the estate.

"SEC. 626. The court may, upon hearing after notice to the debtor and such other persons as the court may designate, require the debtor to file, within such time as the court may fix, a bond or undertaking with such sureties, as may be approved by the court, or without sureties, as the court may order, and in such amount as the court may fix, to indemnify the estate against loss thereto or diminution thereof during the period of such stay. Upon the failure of the debtor to comply with such requirement the proceeding under this chapter shall be dismissed.

#### "ARTICLE V—PROCEEDINGS SUBSEQUENT TO FILING OF PETITION

"SEC. 631. The judge may refer the proceeding to a referee.

"SEC. 632. The judge or referee shall promptly call a meeting of creditors, upon at least ten days' notice by mail to the debtor and his creditors.

"SEC. 633. At such meeting, or at any adjournment thereof—

"(1) the judge or referee shall preside, receive proofs of claim, and allow or disallow them, and examine the debtor or cause him to be examined and hear witnesses on any matter relevant to the proceeding;

"(2) the debtor shall submit his plan, and deposit with the referee, if any, such sum, as the referee may require, not to exceed \$15, as indemnity for the expenses of the referee;

"(3) the court shall receive and determine the written acceptances of creditors on the proposed plan, which acceptances may be obtained by the debtor before or after the filing of a petition under this chapter;

"(4) the court shall, if the plan is accepted, appoint a trustee to receive and distribute, subject to the control of the court, all moneys to be paid under the plan and shall require such trustee to give bond with surety to be approved by the court in such amount as the court shall fix; and

"(5) the court shall fix a time for the filing of the application to confirm the arrangement and for a hearing on the confirmation thereof or any objection to the confirmation, unless such times have already been named in the notice of the meeting or unless all creditors affected by the arrangement have accepted it.

#### "ARTICLE VI—RIGHTS, DUTIES, AND POWERS OF DEBTOR AND OFFICERS

"SEC. 636. Where not inconsistent with the provisions of this chapter, the powers and duties of the officers of the court and the rights, privileges, and duties of the debtor shall be the same, where a petition is filed under section 621 of this Act and a decree of adjudication has not been entered in the pending bankruptcy proceeding, as if a decree

of adjudication had been entered in such bankruptcy proceeding at the time the petition under this chapter was filed, or, where a petition is filed under section 622 of this Act, as if a voluntary petition for adjudication in bankruptcy had been filed and a decree of adjudication had been entered at the time the petition under this chapter was filed.

"SEC. 637. The allowance of exemptions to a debtor shall be the same as provided for a bankrupt under this Act, and such exemptions shall be set aside to the debtor in like manner as provided for a bankrupt.

Allowance of exemptions to debtor.

#### "ARTICLE VII—CREDITORS AND CLAIMS

Creditors and claims.

"SEC. 641. Where not inconsistent with the provisions of this chapter, the rights, duties, and liabilities of creditors and of all other persons with respect to the property of the debtor shall be the same, where a petition is filed under section 621 of this Act and a decree of adjudication has not been entered in the pending bankruptcy proceeding, as if a decree of adjudication had been entered in such bankruptcy proceeding at the time the petition under this chapter was filed, or, where a petition is filed under section 622 of this Act, as if a voluntary petition for adjudication in bankruptcy had been filed and a decree of adjudication had been entered at the time the petition under this chapter was filed.

Rights, duties, etc., of creditors where petition filed in pending proceeding.

*Ante*, p. 931.  
Where no proceeding pending.

"SEC. 642. In case an executory contract shall be rejected pursuant to the provisions of a plan or to the permission of the court given in a proceeding under this chapter, or shall have been rejected by a trustee or receiver in bankruptcy in a prior pending proceeding, any person injured by such rejection shall, for the purpose of this chapter and of the plan, its acceptance and confirmation, be deemed a creditor. The claim of the landlord for injury resulting from the rejection of an unexpired lease of real estate or for damages or indemnity under a covenant contained in such lease shall be provable, but shall be limited to an amount not to exceed the rent, without acceleration, reserved by such lease for the year next succeeding the date of the surrender of the premises to the landlord or the date of reentry of the landlord, whichever first occurs, whether before or after the filing of the petition, plus unpaid accrued rent, without acceleration, up to the date of surrender or reentry: *Provided*, That the court shall scrutinize the circumstances of an assignment of a future rent claim and the amount of the consideration paid for such assignment in determining the amount of damages allowed the assignee thereof.

Rejection of executory contract; status of injured party.

Limitation on claim of landlord.

*Proviso*.  
Assignee of future rent claim, damages.

"SEC. 643. If the time for filing claims in a pending bankruptcy proceeding has expired prior to the filing of a petition under this chapter, claims provable under section 63 of this Act and not filed within the time prescribed by subdivision n of section 57 of this Act, shall not be allowed in the proceedings or participate in a plan under this chapter, and shall not be allowed in the bankruptcy proceeding when reinstated as provided in this chapter.

Expiration of time for filing claims in pending proceeding, effect on unfilled claims.

*Ante*, pp. 873, 867.

"SEC. 644. Upon the entry of an order under the provisions of this chapter directing that bankruptcy be proceeded with, only such claims as are provable under section 63 of this Act shall be allowed and, except as provided in section 643 of this Act, claims not already filed may be filed within three months after the first date set for the first meeting of creditors, held pursuant to section 55 of this Act, or, if such date has previously been set, then within three months after the mailing of notice to creditors of the entry of the order directing that bankruptcy be proceeded with.

Entry of order directing that bankruptcy be proceeded with; claims allowed.

*Ante*, p. 873.  
Unfiled claims.

*Ante*, p. 865.

## "ARTICLE VIII—PROVISIONS OF PLAN

## Provisions of plan.

"SEC. 646. A plan under this chapter—

"(1) shall include provisions dealing with unsecured debts generally, upon any terms;

"(2) may include provisions dealing with secured debts severally, upon any terms;

"(3) may provide for priority of payment during the period of extension as between the secured and unsecured debts affected by the plan;

"(4) shall include provisions for the submission of future earnings or wages of the debtor to the supervision and control of the court for the purpose of enforcing the plan;

"(5) shall provide that the court may from time to time during the period of extension increase or reduce the amount of any of the installment payments provided by the plan, or extend or shorten the time for any such payments, where it shall be made to appear, after hearing upon such notice as the court may designate, that the circumstances of the debtor so warrant or require;

"(6) may include provisions for the rejection of executory contracts of the debtor; and

"(7) may include any other appropriate provisions not inconsistent with this chapter.

## Confirmation and consummation of plans.

Plan accepted at meeting of creditors.  
*Ante*, p. 932.

## "ARTICLE IX—CONFIRMATION AND CONSUMMATION OF PLANS

"SEC. 651. A plan which at the meeting of creditors, as provided in section 633 of this Act, has been accepted in writing by all creditors affected thereby, whether or not their claims have been proved, shall be confirmed by the court when the debtor shall have made the deposit required under this chapter and under the plan, and if the court is satisfied that the plan and its acceptance are in good faith and have not been made or procured by any means, promises or acts forbidden by this Act.

## Plans not accepted; application for confirmation.

"SEC. 652. If a plan has not been so accepted, an application for the confirmation of the plan may be filed with the court within such time as the court shall have fixed in the notice of such meeting, or at or after such meeting and after, but not before—

## Conditions.

"(1) it has been accepted in writing, if unsecured creditors are affected by the plan, by a majority in number of all such creditors whose claims have been proved and allowed before the conclusion of the meeting, which number shall represent a majority in amount of such claims, and by the secured creditors whose claims are dealt with by the plan; and

"(2) the debtor has made the deposit of moneys required of him under this chapter and under the plan.

## Proposals for alterations or modifications.

"SEC. 653. Alterations or modifications of a plan may be proposed in writing by a debtor, with leave of court, at any time before the plan is confirmed.

## Presumption of acceptance by creditor.

"SEC. 654. Unless the court finds that the proposed alteration or modification does not materially and adversely affect the interest of any creditor who has not in writing assented thereto, the court shall adjourn the meeting or, if closed, reopen the meeting, and may enter an order that any creditor who accepted the plan and who fails to file with the court within such reasonable time as shall be fixed in the order a rejection of the altered or modified plan, shall be deemed to have accepted the alterations or modifications and the plan so altered or modified, unless the previous acceptance provides otherwise.

"SEC. 655. At least ten days' notice of the adjourned or reopened meeting, together with a copy of the order, if entered, and of the proposed alteration or modification, shall be given to the creditors and other parties in interest.

Notice to creditors, etc.

"SEC. 656. (a) The court shall confirm a plan if satisfied that—

Confirmation; findings by court.

"(1) the provisions of this chapter have been complied with;

"(2) it is for the best interests of the creditors;

"(3) it is fair and equitable, and feasible;

"(4) the debtor has not been guilty of any of the acts or failed to perform any of the duties which would be a bar to the discharge of a bankrupt; and

"(5) the proposal and its acceptance are in good faith and have not been made or procured by any means, promises, or acts forbidden by this Act.

"(b) Before confirming any such plan the court shall require proof from each creditor filing a claim that such claim is free from usury as defined by the laws of the place where the debt was contracted.

"SEC. 657. Upon confirmation of a plan, the plan and its provisions shall be binding upon the debtor and upon all creditors of the debtor, whether or not they are affected by the plan or have accepted it or have filed their claims, and whether or not their claims have been scheduled or allowed or are allowable.

Effect of confirmation.

"SEC. 658. During the period of extension, the court—

Powers of court during period of extension.

"(1) shall retain jurisdiction of the debtor and his property for all purposes of the plan and its consummation and shall have supervision and control of any agreement or assignment, provided for in the plan, in respect to any future earnings or wages of the debtor; and

"(2) may issue such orders as may be requisite to effectuate the provisions of the plan, including orders directed to any employer of the debtor. An order directed to such employer may be enforced in the manner provided for the enforcement of judgments.

"SEC. 659. In advance of distribution to creditors, there shall first be paid in full, out of the moneys paid in by or for the debtor, and the order of payment shall be—

Payments in advance of distribution to creditors.

"(1) the actual and necessary costs and expenses of the referee;

"(2) the actual and necessary costs and expenses of the trustee;

"(3) the commissions to the referee of 1 per centum, to be computed upon and payable out of the payments actually made by or for a debtor under the plan, which commissions shall be in addition to the fee of \$10 to be paid to the referee out of the fees deposited by the debtor with the clerk of the court, and commissions to the trustee of 5 per centum to be computed upon and payable out of the payments actually made by or for a debtor under the plan;

"(4) such reasonable fee to the attorney for the debtor as the court may allow for the professional services actually rendered by such attorney to the debtor in and in connection with the proceedings under this chapter;

"(5) in the case of a pending bankruptcy proceeding superseded by a proceeding under this chapter, the costs, expenses, and fees of such bankruptcy proceeding; and

"(6) the debts entitled to priority, in the order of priority, as provided by subdivision a of section 64 of this Act.

*Ante*, p. 874.

"SEC. 660. Upon compliance by the debtor with the provisions of the plan and upon the completion of all payments to be made thereunder, the court shall enter an order discharging the debtor from all his debts and liabilities provided for by the plan, and all debts denied participation in the plan by section 643 of this Act, but

Discharge of debtor.

*Ante*, p. 933.

*Ante*, p. 851.

If debtor unable to complete payments within three years.

*Ante*, p. 933.

*Ante*, p. 851.

Final decree.

excluding debts which are not dischargeable under section 17 of this Act held by creditors who have not accepted the plan.

"SEC. 661. If at the expiration of three years after the confirmation of a plan the debtor has not completed his payments thereunder, the court may nevertheless, upon the application of the debtor and after hearing upon notice, if satisfied that the failure of the debtor to complete his payments was due to circumstances for which he could not be justly held accountable, enter an order discharging the debtor from all his debts and liabilities provided for by the plan, and all debts denied participation in the plan by section 643 of this Act, but excluding debts which are not dischargeable under section 17 of this Act held by creditors who have not accepted the plan.

"SEC. 662. Upon the consummation of a proceeding under this chapter, as provided either in section 660 or section 661 of this Act, the court shall enter a final decree discharging the trustee, closing the estate and making such provision, by way of injunction or otherwise, as may be equitable.

Dismissal and adjudication.

#### "ARTICLE X—DISMISSAL AND ADJUDICATION

If plan not proposed in time, not accepted, etc.

"SEC. 666. If a plan is not proposed at the meeting of creditors or within such further time as the court may fix, or if the plan is withdrawn or abandoned prior to its acceptance, or if the plan is not accepted at the meeting of creditors or within such further time as the court may fix, or if the deposit required under this chapter and under the plan is not made or the application for confirmation is not filed within the time fixed by the court, or if confirmation of the plan is refused, or if after confirmation a debtor defaults in any of the terms of the plan, or if the plan terminates by reason of the happening of a condition specified in the plan, the court shall—

Dismissal of proceedings, etc.  
*Ante*, p. 931.

"(1) where the petition has been filed under section 621 of this Act, enter an order dismissing the proceeding under this chapter and adjudging the debtor a bankrupt, if not previously so adjudged, and directing that the bankruptcy be proceeded with pursuant to the provisions of this Act; or

*Ante*, p. 931.

"(2) where the petition has been filed under section 622 of this Act, enter an order dismissing the proceeding under this chapter or, with the consent of the debtor, adjudging him a bankrupt and directing that bankruptcy be proceeded with pursuant to the provisions of this Act.

Entry of order directing that bankruptcy be proceeded with.

"SEC. 667. Upon the entry of an order directing that bankruptcy be proceeded with—

"(1) in the case of a petition filed under section 621 of this Act, the bankruptcy proceeding shall be deemed reinstated and thereafter shall be conducted, so far as possible, as if such petition under this chapter had not been filed; or

"(2) in the case of a petition filed under section 622 of this Act, if an order has been entered adjudging the debtor a bankrupt, as provided in paragraph (2) of section 666 of this Act, the proceeding shall thereafter be conducted, so far as possible, in the same manner and with like effect as if a voluntary petition for adjudication in bankruptcy had been filed and a decree of adjudication had been entered on the day when the petition under this chapter was filed.

Restriction on adjudging debtor bankrupt during pendency of proceedings.

"SEC. 668. Except as provided in section 666 of this Act and elsewhere in this chapter, a debtor shall not be adjudged a bankrupt either in a proceeding under this chapter or in any proceeding instituted under this Act, during the pendency of a proceeding under this chapter.

# “ARTICLE XI—PLANS, WHEN SET ASIDE OR MODIFIED

“SEC. 671. If, upon the application of parties in interest filed at any time within six months after a plan has been confirmed, it shall be made to appear that fraud was practiced in the procuring of such plan and that knowledge of such fraud has come to the petitioners since the confirmation of such plan—

“(1) if the debtor has been guilty of or has participated in the fraud or has had knowledge thereof before the confirmation and has failed to inform the court of the fraud, the court may set aside the confirmation and thereupon (a) where the petition was filed under section 621 of this Act, reinstate the pending bankruptcy proceeding, adjudge the debtor a bankrupt, if he has not already been so adjudged, and direct that the bankruptcy<sup>1</sup> proceeding be proceeded with, or (b) where the petition was filed under section 622 of this Act, reinstate the proceeding, adjudge the debtor a bankrupt, and direct that bankruptcy be proceeded with pursuant to the provisions of this Act; or

“(2) the court may set aside the confirmation, reinstate the proceeding under the petition filed under this chapter, and hear and determine applications for leave to propose, within such time as the court may fix, alterations or modifications of the plan for the purpose of correcting the fraud; or

“(3) the court may reinstate the proceeding under the petition filed under this chapter and modify or alter the plan for the purpose of correcting the fraud, but may not materially modify or alter the plan adversely to the interests of any party who did not participate in the fraud and who does not consent to such modification or alteration, or to the prejudice of any innocent person who, for value, subsequent to the confirmation, acquired rights in reliance upon it.

## “ARTICLE XII—GENERAL PROVISIONS

“SEC. 676. All statutes of limitation affecting claims provable under this chapter and the running of all periods of time prescribed by this Act in respect to the commission of acts of bankruptcy, the recovery of preferences and the avoidance of liens and transfers shall be suspended while a proceeding under this chapter is pending and until it is finally dismissed.

“SEC. 677. Unless otherwise directed by the court, all notices required by this chapter may be given by mail to the parties entitled thereto to their addresses ascertained in the manner prescribed for other notices in section 58 of this Act.

“SEC. 678. The clerk and, in the case of a reference, the referee after such reference, shall forthwith transmit to the Secretary of the Treasury copies of—

“(1) all petitions filed under sections 621 and 622 of this Act;

“(2) all notices given in a proceeding under this chapter;

“(3) all orders dismissing proceedings or directing that bankruptcy be proceeded with, discharging debtors, closing estates and setting aside confirmations;

“(4) all orders approving modifications or alterations in plans, together with copies of such alterations or modifications;

“(5) all orders confirming plans, together with copies of such plans;

“(6) all orders increasing or reducing the amount of installment payments under plans, and all orders extending or shortening the time for such payments; and

“(7) such other papers filed in the proceedings as the Secretary of the Treasury may request or which the court may direct to be transmitted to him.

Plans, when set aside or modified.

Fraud in procuring; application by parties in interest.

Powers of court.

*Ante*, p. 931.

General provisions.

Suspension of running of statutes of limitation, etc.

Manner of giving notice.

*Ante*, p. 867.

Transmittal of copies of certain papers to Secretary of the Treasury.

*Ante*, p. 931.

<sup>1</sup> So in original.



"Any order fixing the time for confirming an arrangement which affects claims of the United States shall include a notice to the Secretary of the Treasury of not less than ten days.

Certain income, etc., not deemed to have accrued by reason of modification or cancelation of indebtedness.

*Proviso.*  
If purpose of plan evasion of tax.

Taxes found owing within one year of filing petition, assessment and payment.

*Proviso.*  
Plan for settlement, etc.

"SEC. 679. No income or profit, taxable under any law of the United States or of any State now in force or which may hereafter be enacted, shall, in respect to the adjustment of the indebtedness of a debtor in a proceeding under this chapter, be deemed to have accrued to or to have been realized by a debtor by reason of a modification in or cancelation in whole or in part of any such indebtedness in a proceeding under this chapter: *Provided, however,* That if it shall be made to appear that the plan had for one of its principal purposes the evasion of any income tax, the exemption provided by this section shall be disallowed.

"SEC. 680. Any provision in this chapter to the contrary notwithstanding, all taxes which may be found to be owing to the United States or any State from a debtor within one year from the date of the filing of a petition under this chapter, and have not been assessed prior to the date of the confirmation of a plan under this chapter, and all taxes which may become owing to the United States or any State from a debtor shall be assessed against, may be collected from, and shall be paid by the debtor: *Provided, however,* That the United States or any State may in writing accept the provisions of any plan dealing with the assumption, settlement, or payment of any such tax.

#### "ARTICLE XIII—WHEN CHAPTER TAKES EFFECT

When chapter takes effect.

"SEC. 686. (1) On and after the effective date of this amendatory Act, this chapter shall apply to debtors and their creditors, whether their rights, claims, and interests of any nature whatsoever have been acquired or created before or after such date;

"(2) a petition may be filed under this chapter in a proceeding in bankruptcy which is pending on the effective date of this amendatory Act;

47 Stat. 1467.  
11 U. S. C. §§ 201, 202; Supp. III, § 202.

Compositions and extensions.

"(3) the provisions of sections 73 and 74, as amended, of the Act entitled 'An Act to establish a uniform system of bankruptcy throughout the United States', approved July 1, 1898, shall continue in full force and effect with respect to proceedings pending under those sections upon the effective date of this amendatory Act;

"(4) section 679 of this Act shall apply to compositions and extensions confirmed under section 74 before the effective date of this amendatory Act and to compositions and extensions which may be confirmed under section 74 on and after such effective date; and

"(5) confirmation of a plan under this chapter shall not be refused because of a discharge granted or a composition confirmed prior to the effective date of this amendatory Act."

Chapter XIV—  
Maritime Commission Liens.

Maritime Commission.  
Appointment as receiver in bankruptcy proceedings if to the advantage of parties in interest, etc.

49 Stat. 1985.  
46 U. S. C., Supp. III, § 1101.

#### "CHAPTER XIV—MARITIME COMMISSION LIENS

"SEC. 701. Notwithstanding any provision of law, in any proceeding in a bankruptcy, equity, or admiralty court of the United States in which a receiver or trustee may be appointed for any corporation engaged in the operation of one or more vessels of United States registry between the United States and any foreign country, upon which the United States holds mortgages, the court upon finding that it will inure to the advantage of the estate and the parties in interest and that it will tend to further the purposes of the Merchant Marine Act, 1936, may constitute and appoint the United States Maritime Commission as sole trustee or receiver, subject to the directions and orders of the court, and in any such proceeding the appointment of

any person other than the Commission as trustee or receiver shall become effective upon the ratification thereof by the Commission without a hearing, unless the Commission shall deem a hearing necessary. In no such proceeding shall the Commission be constituted as trustee or receiver without its express consent.

"SEC. 702. If the court, in any such proceeding, is unwilling to permit the trustee or receiver to operate such vessels in such service pending the termination of such proceeding, without financial aid from the Government, and the Commission certifies to the court that the continued operation of such vessels is, in the opinion of the Commission, essential to the foreign commerce of the United States and is reasonably calculated to carry out the purposes and policy of the Merchant Marine Act, 1936, as amended, the court may permit the Commission to operate the vessels subject to the orders of the court and upon terms decreed by the court sufficient to protect all the parties in interest, for the account of the trustee or receiver, directly or through a managing agent or operator employed by the Commission, if the Commission undertakes to pay all operating losses resulting from such operation, and comply with the terms imposed by the court, and such vessel shall be considered to be a vessel of the United States within the meaning of the Suits in Admiralty Act. The Commission shall have no claim against the corporation, its estate, or its assets for the amount of such payments, but the Commission may pay such sums for depreciation as it deems reasonable and such other sums as the court may deem just. The payment of such sums, and compliance with other terms duly imposed by the court, together with the payment of the operating losses, shall be in satisfaction of all claims against the Commission on account of the operation of such vessels.

"SEC. 703. No injunction powers vested in the courts of bankruptcy under the Act entitled 'An Act to establish a uniform system of bankruptcy throughout the United States', approved July 1, 1898, and Acts amendatory thereof and supplementary thereto, shall be construed or be deemed to affect or apply to the United States as a creditor under a preferred ship mortgage, as defined in the Ship Mortgage Act, 1920, as amended, unless the Commission files with the court a written waiver of the provisions of this section."

SEC. 2. (a) Any farmer who filed a petition under section 75 of the Act entitled "An Act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, as amended, and in whose case a bankruptcy court has, under subsection (s) thereof, granted a stay of proceedings may, if the period for which such stay was granted has expired or is about to expire, make application to such court for an extension of such stay. If the court finds that such farmer has substantially complied with the provisions of paragraph (2) of subsection (s) of section 75 of such Act, as amended, during the period of such stay, the court may extend the period of such stay to November 1, 1939.

(b) The second sentence of subsection (b) of section 75 of such Act, as amended, is amended to read as follows: "The conciliation commissioner shall receive as compensation for his services a fee of \$25 for each case submitted to him, to be paid out of the Treasury when the conciliation commissioner completes the duties assigned to him by the court."

SEC. 3. (a) The Act entitled "An Act to establish a uniform system of bankruptcy throughout the United States", approved July 1, 1898, as amended by the Act of August 16, 1937 (50 Stat. 653), is hereby further amended by striking out the heading "Chapter X" before section 81 of said Act and inserting in lieu thereof "Chapter IX".

Operation of vessels;  
financial aid.

Payment of operating losses.

41 Stat. 525.  
46 U. S. C. §§ 741-752; Supp. III, § 745.

Payments deemed in full satisfaction of all claims.

Protection of Government as mortgagee.

30 Stat. 544.  
11 U. S. C.; Supp. III.

41 Stat. 1000.  
46 U. S. C. § 911; Supp. III, § 922.

Farmers; petition in bankruptcy.

47 Stat. 1470.  
11 U. S. C. § 203; Supp. III, § 203.

Stay of proceedings.

Application for extension.

Conciliation commissioner, fee.

47 Stat. 1470.  
11 U. S. C. § 203; Supp. III, § 203.  
*Ante*, p. 84.

Textual amendment.

50 Stat. 653.

50 Stat. 655.  
11 U. S. C., Supp.  
III, § 403.

Partial completion  
or execution of plan  
of composition; effect  
of.

Obligation of person  
secondarily liable, pro-  
vision repealed.  
47 Stat. 1474.  
11 U. S. C. § 204.  
Repeal of inconsis-  
tent provisions.

Severability.

Sections and sub-  
division headings.

Effect of this  
amendatory Act.

Pending proceed-  
ings.

Effective date.

(b) Section 83 of such chapter IX is amended by adding at the end thereof the following new subsection:

“(j) The partial completion or execution of any plan of composition as outlined in any petition filed under the terms of this Act by the exchange of new evidences of indebtedness under the plan for evidences of indebtedness covered by the plan, whether such partial completion or execution of such plan of composition occurred before or after the filing of said petition, shall not be construed as limiting or prohibiting the effect of this Act, and the written consent of the holders of any securities outstanding as the result of any such partial completion or execution of any plan of composition shall be included as consenting creditors to such plan of composition in determining the percentage of securities affected by such plan of composition.”

SEC. 4. Section 76 of the Act entitled “An Act to establish a uniform system of bankruptcy throughout the United States”, approved July 1, 1898, as amended, is hereby repealed. Except to the extent necessary to give effect to the provisions of section 6 of this amendatory Act, all Acts or parts of Acts inconsistent with any provisions of this amendatory Act are hereby repealed.

SEC. 5. SEVERABILITY; HEADINGS.—a. If any provision of this amendatory Act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of this amendatory Act which can be given effect without the invalid provision or application, and to this end the provisions of this amendatory Act are declared to be severable.

b. Sections and subdivision headings shall not be taken to govern or limit the scope of the sections or subdivisions to which they relate.

SEC. 6. EFFECT OF THIS AMENDATORY ACT.—a. Nothing herein contained shall have the effect to release or extinguish any penalty, forfeiture, or liability incurred under any Act or Acts of which this Act is amendatory.

b. Except as otherwise provided in this amendatory Act, the provisions of this amendatory Act shall govern proceedings so far as practicable in cases pending when it takes effect; but proceedings in cases then pending to which the provisions of this amendatory Act are not applicable shall be disposed of conformably to the provisions of said Act approved July 1, 1898, and the Acts amendatory thereof and supplementary thereto.

SEC. 7. This amendatory Act shall take effect and be in force on and after three months from the date of its approval.

Approved, June 22, 1938.

#### [CHAPTER 576]

#### AN ACT

June 22, 1938  
[H. R. 7520]  
[Public, No. 697]

For the relief of members of the Navy or Marine Corps who were discharged from the Navy or Marine Corps during the Spanish-American War, the Philippine Insurrection, and the Boxer uprising because of minority or misrepresentation of age.

Navy or Marine  
Corps.  
Members of, dis-  
charged because of  
minority, etc., during  
Spanish-American  
War, etc., deemed  
honorably discharged.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in the administration of any laws conferring rights, privileges, or benefits upon honorably discharged members of the military or naval forces of the United States, their widows and dependent children, a member of the Navy or Marine Corps who was enlisted between April 21, 1898, and July 4, 1902, both dates inclusive, and who was discharged for fraudulent enlistment because of minority or misrepresentation of age, shall hereafter be held and considered to have been honorably

discharged from the Navy or Marine Corps on the date of his actual separation therefrom, if his service otherwise was such as would have entitled him to an honorable discharge: *Provided*, That no back pay or allowance shall accrue by reason of the passage of this Act: *Provided further*, That in all such cases the Navy Department shall, upon request, grant to such individual, his widow or next of kin a discharge certificate showing that such former member of the Navy or Marine Corps is held and considered to have been honorably discharged under the provisions of this Act.

Approved, June 22, 1938.

*Provisos.*  
No back pay, etc.

Discharge certifi-  
cate.

[CHAPTER 577]

AN ACT

To authorize the sale of surplus power developed under the Uncompahgre Valley reclamation project, Colorado.

June 22, 1938  
[H. R. 7764]  
[Public, No. 698]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That whenever a development of power is necessary for the irrigation of lands under the Uncompahgre Valley reclamation project, Colorado, or an opportunity is afforded for the development of power under said project, the Secretary of the Interior is authorized to enter into a contract for a period not exceeding forty years for the sale or development of any surplus power. The provisions of such contract shall be such as the said Secretary may deem to be equitable: *Provided*, That no such contract shall be made without the approval of the Uncompahgre Valley Water Users' Association, which, prior to any development of power on said project, shall be required to contract with the United States to repay the cost thereof, on such terms and conditions and with such provisions for the disposal of the annual net power profits as the said Secretary may deem to be equitable, and with or without interest on the construction cost as the said Secretary may determine: *And provided further*, That if the said association is not required to pay interest on the construction cost of the power plant and power system, the net earnings of the power plant and system, after the association shall have paid the full cost thereof, and its project construction charge indebtedness to the United States shall be payable into the reclamation fund, unless Congress shall hereafter otherwise direct.

Uncompahgre Val-  
ley reclamation proj-  
ect, Colo.  
Sale of surplus pow-  
er authorized; con-  
tracts.

*Provisos.*  
Approval of Uncom-  
pahgre Valley Water  
Users' Association.

Disposition of net  
earnings.

Approved, June 22, 1938.

[CHAPTER 578]

AN ACT

To provide for the establishment of a Coast Guard station at or near Shelter Cove, California.

June 22, 1938  
[H. R. 9916]  
[Public, No. 699]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of the Treasury be, and he is hereby, authorized to establish a Coast Guard station on the Pacific coast at or in the vicinity of Shelter Cove, California, in such locality as the Commandant of the Coast Guard may recommend.

Approved, June 22, 1938.

Shelter Cove, Calif.  
Establishment of  
Coast Guard station  
authorized.

## [CHAPTER 593]

## AN ACT

June 22, 1938  
[S. 3337]  
[Public, No. 700]

To amend section 2 of the Act entitled "An Act making appropriations for the naval service for the fiscal year ending June thirtieth, nineteen hundred and nineteen, and for other purposes", approved July 1, 1918, to increase the authorized percentage of privates, first-class, in the Marine Corps from 25 to 40 per centum of the whole number of privates.

Marine Corps.  
Privates, first-class;  
percentage increase in.

40 Stat. 714.  
34 U. S. C. § 691c.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 2 of the Act entitled "An Act making appropriations for the naval service for the fiscal year ending June thirtieth, nineteen hundred and nineteen, and for other purposes", approved July 1, 1918 (40 Stat. 714; title 34 U. S. C., sec. 691c), is hereby amended by striking out the words "twenty-five" appearing in lines 6 and 7 of the said section and substituting therefor the word "forty".

Approved, June 22, 1938.

## [CHAPTER 594]

## JOINT RESOLUTION

June 22, 1938  
[H. J. Res. 699]  
[Pub. Res., No. 123]

To amend sections 101, 102, 103, 104, and 859 of the Revised Statutes of the United States relating to congressional investigations.

Congressional investigations.  
R. S. §§ 101-104, 859.  
2 U. S. C. §§ 191-194;  
28 U. S. C. § 634.  
Oaths to witnesses,  
administration.

Refusal of witness  
to testify, etc.

Penalty.

Witness not privileged  
to refuse to answer prejudicial  
questions.

Proceedings against  
witnesses failing to  
testify, produce papers,  
etc.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That sections 101, 102, 103, 104, and 859 of the Revised Statutes of the United States are hereby amended to read as follows:

"SEC. 101. The President of the Senate, the Speaker of the House of Representatives, or a chairman of any joint committee established by a joint or concurrent resolution of the two Houses of Congress, or of a committee of the whole, or of any committee of either House of Congress, is empowered to administer oaths to witnesses in any case under their examination.

"SEC. 102. Every person who having been summoned as a witness by the authority of either House of Congress to give testimony or to produce papers upon any matter under inquiry before either House, or any joint committee established by a joint or concurrent resolution of the two Houses of Congress, or any committee of either House of Congress, willfully makes default, or who, having appeared, refuses to answer any question pertinent to the question under inquiry, shall be deemed guilty of a misdemeanor, punishable by a fine of not more than \$1,000 nor less than \$100 and imprisonment in a common jail for not less than one month nor more than twelve months.

"SEC. 103. No witness is privileged to refuse to testify to any fact, or to produce any paper, respecting which he shall be examined by either House of Congress, or by any joint committee established by a joint or concurrent resolution of the two Houses of Congress, or by any committee of either House, upon the ground that his testimony to such fact or his production of such paper may tend to disgrace him or otherwise render him infamous.

"SEC. 104. Whenever a witness summoned as mentioned in section 102 fails to appear to testify or fails to produce any books, papers, records, or documents, as required, or whenever any witness so summoned refuses to answer any question pertinent to the subject under inquiry before either House, or any joint committee established by a joint or concurrent resolution of the two Houses of Congress, or any committee or subcommittee of either House of Congress, and the fact of such failure or failures is reported to either House while Congress is in session, or when Congress is not in session, a statement of

fact constituting such failure is reported to and filed with the President of the Senate or the Speaker of the House, it shall be the duty of the said President of the Senate or Speaker of the House, as the case may be, to certify, and he shall so certify, the statement of facts aforesaid under the seal of the Senate or House, as the case may be, to the appropriate United States attorney, whose duty it shall be to bring the matter before the grand jury for its action."

"SEC. 859. No testimony given by a witness before either House, or before any committee of either House, or before any joint committee established by a joint or concurrent resolution of the two Houses of Congress, shall be used as evidence in any criminal proceeding against him in any court, except in a prosecution for perjury committed in giving such testimony. But an official paper or record produced by him is not within the said privilege."

Any member of either House of Congress may administer oaths to witnesses in any matter depending in either House of Congress of which he is a Member, or any committee thereof.

Approved, June 22, 1938.

Immunity from criminal proceedings.

Exceptions.

Authority of any Member of either House to administer oaths.

#### [CHAPTER 595]

#### JOINT RESOLUTION

To authorize the acceptance of title to the dwelling house and property, the former residence of the late Justice Oliver Wendell Holmes, located at 1720 Eye Street Northwest, in the District of Columbia, and for other purposes.

June 22, 1938  
[H. J. Res. 703]  
[Pub. Res., No. 124]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Attorney General, on behalf of the United States of America named as residuary legatee in the will of Oliver Wendell Holmes, is hereby authorized and directed to accept a deed conveying to the United States of America title to the dwelling house and property, the former residence of the late Justice Holmes, situated at 1720 Eye Street Northwest, in the District of Columbia.

Oliver Wendell Holmes.  
Acceptance of title to former residence of, in District of Columbia, authorized.

SEC. 2. John G. Palfrey, the executor of the estate of Oliver Wendell Holmes, is hereby authorized to convey title to the United States of America rather than to dispose of the dwelling house and property otherwise and deposit the proceeds with the Secretary of the Treasury.

Conveyance of title.

SEC. 3. Pursuant to the suggestion made in a message of the President of the United States to the Congress dated April 25, 1935, a committee of nine members shall be constituted, three to be selected from the House of Representatives by the Speaker of the House, three to be selected from the Senate by the Vice President, and three to be selected from the Supreme Court of the United States by the Chief Justice, which committee shall make recommendations to the Congress concerning the use of the bequest and devise made to the United States by Mr. Justice Holmes.

Recommendations by joint committee concerning use.

Approved, June 22, 1938.

#### [CHAPTER 596]

#### AN ACT

To amend section 9 of the Civil Service Retirement Act, approved May 29, 1930, as amended.

June 23, 1938  
[S. 3548]  
[Public, No. 701]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 9 of the Civil Service Retirement Act, approved May 29, 1930, is amended by striking out that portion of the section following the phrase "as provided in section 12 (a) hereof", and inserting in lieu thereof the

Civil Service Retirement Act, amendment.  
46 Stat. 475.  
5 U. S. C. § 736b.

Service credit without deposit.

Annuity in event no deposit is made.

following: "*Provided*, That failure to make such deposit shall not deprive the employee of credit for any past service rendered prior to August 1, 1920, to which he or she would otherwise be entitled: *And provided further*, That, notwithstanding the failure of an employee to make such deposit, credit shall be allowed for the service rendered, but the annuity of such employee shall be reduced by the amount such deposit would purchase if made, unless the employee shall elect to eliminate such service entirely from credit under this Act".

Approved, June 23, 1938.

#### [CHAPTER 597]

#### AN ACT

June 23, 1938  
[S. 4132]  
[Public, No. 702]

Limiting the hours of labor of certain officers and seamen on certain vessels navigating the Great Lakes and adjacent waters.

Great Lakes, etc.  
Hours of labor on certain vessels limited.  
49 Stat. 1933.  
46 U. S. C., Supp. III, § 673.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 2 of the Act of March 4, 1915, as amended (U. S. C., 1934 edition, Supp. III, title 46, sec. 673), is amended by adding after the first sentence thereof the following: "No licensed officer or seaman in the deck or engine department of any tug documented under the laws of the United States (except boats or vessels used exclusively for fishing purposes) navigating the Great Lakes, harbors of the Great Lakes, and connecting and tributary waters between Gary, Indiana; Duluth, Minnesota; Niagara Falls, New York; and Ogdensburg, New York, shall be required or permitted to work more than eight hours in one day except in case of extraordinary emergency affecting the safety of the vessel and/or life or property.

Approved, June 23, 1938.

#### [CHAPTER 598]

#### AN ACT

June 23, 1938  
[H. R. 9997]  
[Public, No. 703]

To regulate the distribution, promotion, and retirement of officers of the line of the Navy, and for other purposes.

Navy.  
Merit system for promotion by selection.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That there is hereby established a merit system for promotion by selection in the line of the Navy.

#### AUTHORIZED NUMBER OF OFFICERS OF THE LINE

Authorized number of officers of the line.

SEC. 2. The total authorized number of commissioned officers of the active list of the line of the Navy, exclusive of commissioned warrant officers, shall be equal to 5½ per centum of the total authorized enlisted strength of the active list, exclusive of the Hospital Corps, prisoners undergoing sentence of discharge, enlisted men detailed for duty with the Naval Militia, and the Flying Corps.

#### DISTRIBUTION OF OFFICERS OF THE LINE

Distribution in grades.

SEC. 3. (a) The total number of commissioned line officers on the active list at any one time, exclusive of commissioned warrant officers, shall be distributed in the proportion of one in the grade of rear admiral to four in the grade of captain, to eight in the grade of commander, to fifteen in the grade of lieutenant commander, to thirty in the grade of lieutenant, to forty-two in the grades of lieutenant (junior grade) and ensign, inclusive: *Provided*, That except in time of war there shall be not more than seventy rear admirals on the active list of the line of the Navy, exclusive of additional numbers in grade.

Proviso.  
Limitation.

(b) To determine the authorized number of officers in the various grades of the line as provided in subsection (a) of this section, computations shall be made by the Secretary of the Navy at least once each year, and at such times as he may direct, and the resulting numbers in the various grades, as so computed, shall be held and considered for all purposes as the authorized number of officers in such various grades and shall not be varied between such computations: *Provided*, That no officer shall be reduced in rank or pay or separated from the active list of the Navy as a result of any computation made to determine the authorized number of officers in the various grades of the line: *Provided further*, That the number of officers allowed in any grade as a result of any such computation may be temporarily increased to include any such officers as may be promoted to that grade by reason of being recommended by a selection board as fitted for promotion as hereinafter provided or as may be retained in that grade by section 12 (j) of this Act; and the total number so carried in excess in the several grades shall be applied as a reduction to the numbers allowed to the grades of lieutenant and lieutenant (junior grade) and ensign, in the proportions of one-third of such total excess number in the grade of lieutenant and two-thirds in the combined grades of lieutenant (junior grade) and ensign: *And provided further*, That lieutenants (junior grade) on the promotion list who would under existing law be promoted to the grade of lieutenant prior to June 1, 1939, may be so promoted, without regard to the number of officers allowed in that grade by the computation prescribed in this subsection, on the dates on which under existing law they would be entitled to such promotion.

(c) For the purpose of determining the authorized number of officers in any grade or rank of the line, there shall be excluded from consideration those officers carried by law as additional numbers: *Provided*, That officers who, on the date of approval of this Act, are additional numbers in grade by reason of the operation of section 3 of the Act of March 3, 1931 (46 Stat. 1483), as amended, are hereby changed to regular numbers on the Navy list; and no further such additional numbers shall be created.

(d) Whenever a final fraction occurs in computing the authorized number of officers of any grade, the nearest whole number shall be regarded as the authorized number.

Computations for determining number.

*Proviso.*  
Restriction on reductions in rank, pay, etc.

Temporary increases.

Application of number carried in excess in grades.

Lieutenants (junior grade) on promotion list.

Exclusion of officers carried as additional numbers in computations.

*Proviso.*  
Officers now carried as additional numbers changed to regular numbers.  
Restriction on further additional numbers.

Fractions.

#### PROMOTION BY SELECTION

SEC. 4. Subject to the provisions of section 1508 of the Revised Statutes, all promotions to grades above that of lieutenant (junior grade) of the line of the Navy, including the promotion of those officers who are, or may be, carried on the Navy list as additional numbers in grade, shall be only upon the recommendation of a board of naval officers as herein prescribed: *Provided*, That nothing herein contained shall be construed to interfere with the promotion of officers on promotion lists at the date of approval of this Act except as hereinafter provided in section 11 (b).

Promotion by selection.  
R. S. § 1508.  
34 U. S. C. § 345.

*Proviso.*  
Officers now on promotion lists.

*Post*, p. 948.

#### SELECTION BOARDS

SEC. 5. (a) The board for the recommendation of line officers for promotion to the grades of rear admiral, captain, and commander shall consist of nine rear admirals on the active list of the line of the Navy, not restricted by law to the performance of shore duty only, and shall be appointed by the Secretary of the Navy and convened at least once each year and at such times as the Secretary of the Navy may direct.

Selection boards.  
Appointment, meetings, composition, etc.



(b) The board for the recommendation of line officers for promotion to the grades of lieutenant commander and lieutenant shall consist of nine officers on the active list of the line of the Navy above the rank of commander, not restricted by law to the performance of shore duty only, and shall be appointed by the Secretary of the Navy and convened at least once each year and at such times as the Secretary of the Navy may direct.

(c) No officer may be a member of two successive selection boards for the consideration of officers for promotion to the same grades.

#### OATH FOR MEMBERS OF SELECTION BOARDS

Oath for members of selection boards.

SEC. 6. Each member of a board provided for in section 5 of this Act shall swear, or affirm, that he will, without prejudice or partiality, and having in view both the special fitness of officers and the efficiency of the naval service, perform the duties imposed upon him as herein provided.

#### ELIGIBILITY OF OFFICERS FOR CONSIDERATION BY SELECTION BOARDS

Eligibility of officers for consideration by selection boards.

SEC. 7. (a) No captain, commander, lieutenant commander, or lieutenant who shall have had less than four years' service in the grade in which he is serving and on the promotion list for that grade, on June 30 of the fiscal year of the convening of a board provided for by this Act, or who is not physically qualified, shall be eligible for consideration by that board.

(b) No lieutenant (junior grade) who shall have had less than three years' service in the grade of lieutenant (junior grade) on June 30 of the fiscal year of the convening of a board provided for by this Act, or who is not physically qualified, shall be eligible for consideration by that board.

#### INFORMATION TO BE FURNISHED SELECTION BOARDS

Information to be furnished selection boards.

SEC. 8. (a) The Secretary of the Navy shall furnish the appropriate selection board with (1) an estimate of the number of vacancies which will occur before the end of the next succeeding fiscal year, in each grade or grades for which the board will recommend officers for promotion, in excess of the number of officers then on the promotion list; (2) the names of all officers eligible for consideration for promotion to each grade or grades to which the board will recommend officers for promotion; and (3) the records other than medical of all such officers; (4) a statement, as directed by the President, as to the percentage of the officers adjudged fitted for promotion as hereinafter provided, which should be continued on the active list to meet the immediate requirements of the Navy: *Provided, That*, after one year from the date of approval of this Act, a list of names furnished by the Secretary of the Navy of officers eligible for consideration for promotion to the grade of lieutenant commander or to the grade of lieutenant, exclusive of those previously considered, shall in no case contain a number of names greater than double the number of estimated vacancies certified for the grade concerned.

*Proviso.*  
List for grades of lieutenant commander or lieutenant.

Addressing communications with reference to matters of record.

*Proviso.*  
Reflection upon character, etc., prohibited.

(b) Any officer eligible for consideration for selection shall have the right to forward through official channels at any time not later than ten days after the convening of said board a written communication inviting attention to any matter of record in the Navy Department concerning himself which he deems important in the consideration of his case: *Provided, That* such communication shall not contain any reflection upon the character, conduct, or motives of or criticism of any officer.

## DUTIES OF SELECTION BOARDS

SEC. 9. (a) From among those officers who are eligible for consideration for promotion and whose names are furnished the board by the Secretary of the Navy, each board shall recommend for promotion those officers whom it considers best fitted for promotion, in number not exceeding the number of estimated vacancies certified to the board by the Secretary of the Navy as provided in section 8 of this Act: *Provided*, That in each grade all officers not selected as best fitted for promotion but senior in lineal rank to the junior officer selected as best fitted by each board shall be considered as having failed of selection as best fitted: *Provided further*, That such status of having failed of selection as best fitted shall not be considered as prejudicial to an officer with respect to his qualifications, his fitness for the naval service, or his eligibility for selection by the next succeeding selection board.

(b) In addition to the selection of officers best fitted for promotion as hitherto provided in this section, each selection board shall, from among those officers who are eligible and who have once failed of selection as best fitted by a preceding board, except officers in the grades of captain and lieutenant (junior grade), designate those officers whom the board adjudges fitted for promotion, and from among such officers shall recommend for retention on the active list a number equal to the percentage thereof furnished to the board by the Secretary of the Navy as provided in section 8 of this Act.

(c) The selection board shall also report the names of any officers among those eligible for consideration and of less than twenty-one years' service whose reports and records in its opinion indicate their unsatisfactory performance of duty in their present grades and in its opinion indicate that they would not satisfactorily perform the duties of a higher grade.

(d) The recommendation of the board in the case of officers who are now or may hereafter be assigned to aeronautical-engineering duty only shall be based upon their comparative fitness among themselves for the technical duties prescribed for them by law: *Provided*, That they shall not succeed to command on shore.

(e) The recommendation of the board in the case of officers who are now or may hereafter be assigned to engineering duty only shall be based upon their comparative fitness for the duties prescribed for them by law. Upon promotion they shall be carried as additional numbers in grade.

(f) No officer shall be selected as best fitted for promotion or adjudged fitted for promotion unless he shall have received the recommendation of not less than six members of the board.

Duties of selection boards.

Recommendations for promotion.

Number; restriction.

*Proviso.*  
Failure of selection as best fitted.

Not deemed prejudicial with respect to qualifications, etc.

Officers adjudged fitted for promotion, who once failed of selection.

Officers adjudged unfitted for promotion.

Aeronautical-engineering duty only.

*Proviso.*  
Not to command on shore.

Engineering duty only.

Selection as best fitted or fitted for promotion, number of recommendations.

## REPORTS OF SELECTION BOARDS

SEC. 10. (a) The report of the board shall be in writing, signed by all of the members thereof, and shall certify that the board has carefully considered the case of every officer whose name was furnished to the board by the Secretary of the Navy, as provided in section 8 of this Act, and that, in the opinion of at least six of the members, the officers therein recommended are either selected as the best fitted or are adjudged fitted, as the case may be, to assume the duties of the next higher grade, except that the recommendation of the board in the case of officers who are now or may hereafter be assigned to engineering duty only, or to aeronautical-engineering duty only, shall be based upon their comparative fitness as prescribed in section 9 of this Act.

Reports of selection boards.

Final action by the President.  
*Provido.*  
 Filling of vacancies caused by disapproval.

(b) The report of the board shall be submitted to the President for approval or disapproval: *Provided*, That in case any officer or officers recommended by the board as best fitted for promotion are not acceptable to the President, the board shall be informed of the name of such officer or officers and shall recommend a number of officers as best fitted for promotion equal to the number of those found not acceptable to the President and, if necessary, the board shall be reconvened for this purpose.

Promotion of officers.

#### PROMOTION OF OFFICERS

Promotion list.

SEC. 11. (a) The names of officers designated by a board as best fitted for promotion, and the names of officers adjudged by a board as fitted for promotion, and approved by the President, shall be placed upon a promotion list and promotions to fill vacancies shall be made from officers of the next lower grade whose names appear on the promotion list as having been designated as best fitted for promotion: *Provided*, That officers whose names appear on the promotion list as having been adjudged fitted for promotion shall be promoted at the same time that the officers next senior to them on the list of those designated as best fitted for promotion are promoted to the next higher grade: *Provided further*, That officers so promoted pursuant to the recommendations of the same report shall take rank with one another in accordance with their seniority in the grade from which promoted, and officers recommended in an earlier report shall, when promoted, have precedence of officers recommended in a later report: *And provided further*, That priority in assignment to duty in any grade shall be accorded, irrespective of seniority in grade, to those officers who have been selected as best fitted for promotion to that grade.

*Providos.*  
 Promotion of those adjudged fitted and those next senior designated as best fitted.

Rank of officers so promoted.

Priority in assignment to duty.

Removal of name from promotion list and submission to ensuing selection board.

*Providos.*  
 Restoration; status.

Retirement if failing selection.

Increase in estimate.

Sea service requirements.

*Providos.*  
 Exceptional cases.

(b) The Secretary of the Navy may, in his discretion, with the approval of the President, remove the name of any officer from the promotion list and submit it to the next ensuing selection board for consideration and recommendation: *Provided*, That the next ensuing selection board may select the officer concerned as best fitted for promotion or adjudge him fitted for promotion, and thereupon, with the approval of the President, the name of such officer shall be replaced on the promotion list, without prejudice by reason of its having been temporarily removed therefrom, and when promoted such officer shall take rank in accordance with his seniority on the promotion list at the same time his name was removed therefrom: *Provided further*, That if such officer is neither so selected as best fitted nor adjudged fitted by such next ensuing selection board he will be placed on the retired list on June 30 of the then current fiscal year: *And provided further*, That if the name of any officer selected as best fitted for promotion be removed from a promotion list of officers in any grade and submitted to another board as provided in this subsection, the estimate of the number of vacancies furnished said board by the Secretary of the Navy shall be increased accordingly.

(c) No officer shall be promoted unless he has had not less than two years' actual sea service in the grade in which serving and on the promotion list for that grade: *Provided*, That in exceptional cases where officers are specifically designated, during war or national emergency declared by the President, by the Secretary of the Navy as performing, or as having performed, such highly important duties on shore that their services cannot be or could not have been spared from such assignment without serious prejudice to the national interests, the qualification of sea service in the cases of those officers so specifically designated shall not apply while the United States is at war, or during a national emergency declared by the President, or

within two and one-half years subsequent to the ending of such war or national emergency: *Provided further*, That the qualification of sea service shall not apply to officers restricted by law to the performance of engineering duty only or to the performance of aeronautical-engineering duty only.

#### RETIREMENT OF OFFICERS

SEC. 12. (a) For the purpose of the administration of this section, all officers on the active list now in the status of having failed of selection as best fitted, as defined in section 9 (a) of this Act, one or more times shall be regarded as having failed of selection as best fitted once only.

(b) Officers, except lieutenant commanders, lieutenants, and lieutenants (junior grade), whose names are not placed upon the promotion list, shall be placed on the retired list on June 30 of the fiscal year in which they fail of selection as best fitted the second time in successive years, with retired pay at the rate of 2½ per centum of their active-duty pay at the time of retirement multiplied by the number of years of service for which entitled to credit in the computation of their pay on the active list, not to exceed a total of 75 per centum of said active-duty pay: *Provided*, That a fractional year of six months or more shall be considered a full year in computing the number of years service by which the rate of 2½ per centum is multiplied.

(c) Lieutenant commanders, lieutenants, and lieutenants (junior grade) whose names are not placed upon the promotion list shall be honorably discharged from the Navy with two years' pay if lieutenant commanders or lieutenants or with one year's pay if lieutenants (junior grade) on June 30 of the fiscal year in which they fail of selection as best fitted the second time: *Provided*, That such lieutenant commanders, lieutenants, and lieutenants (junior grade) who were appointed as ensigns in the permanent line of the Navy, in accordance with the provisions of the Act of March 3, 1901, as amended, shall have the option of reverting to such permanent warrant or permanent commissioned-warrant status in the lineal position to which their seniority would have entitled them had their service subsequent to such appointment been rendered in the status to which they revert.

(d) Captains, commanders, and lieutenant commanders promoted to those grades by reason of adjudgment as fitted for promotion, and recommended by the report of a selection board, as approved by the President, for retention on the active list, may be continued on the active list of the line of the Navy until they shall have completed thirty, twenty-eight, and twenty-six years, respectively, of commissioned service (with which commissioned service shall be included service as a commissioned warrant officer, active commissioned service in the Naval Reserve Force, service as a midshipman after graduation from the Naval Academy, and service under a temporary commission in the Navy): *Provided*, That during such continuance on the active list they may become eligible for selection, subject to the provisions of section 7 (a) of this Act, as best fitted for promotion, and may be promoted consequent to such selection, but they shall not be eligible for consideration by any selection board for adjudgment as fitted for promotion: *Provided further*, That if such officers are not so selected as best fitted and if they twice fail of selection as best fitted they shall thereafter be ineligible for promotion: *Provided further*, That, if not so selected as best fitted, upon the completion of the periods of commissioned service stated in this subsection, they shall be placed upon the retired list on June 30 of the fiscal year in which they completed such commissioned service with retired pay computed as prescribed in subsection (b) of this section.

Engineering, etc.,  
duty excepted.

Retirement of officers.

Officers now in status of having failed of selection as best fitted one or more times.

Designated officers twice failing as best fitted; retirement.

Retired pay.

*Proviso.*  
Fractional year.

Honorable discharge of lieutenant commanders, etc., twice failing as best fitted.

*Proviso.*  
Optional provision.

31 Stat. 1129.  
34 U. S. C. § 334.

Certain officers promoted by adjudgment as fitted for promotion, continuance on active list.

Service included.

*Provisos.*  
Eligibility of, for further promotion.

Ineligibility if twice failing as best fitted.

If not selected as best fitted.

Voluntary retirement of line officers after 20 years' service.

*Proviso.*  
Existing provision repealed.  
46 Stat. 1440.  
34 U. S. C. § 388a.

Retirement of certain officers promoted as fitted but not recommended for retention on active list.

*Proviso.*  
Date of retirement.

Officers reported as unfitted for promotion; date of discharge.

*Proviso.*  
Pay on discharge.

Retirement pay, of officers on promotion list, with physical disability contracted in line of duty.

Failing professional examination, pay on discharge.

Retirement of present officers on active list.

*Proviso.*  
Failing twice of selection as best fitted.

Designated officers now additional numbers.

46 Stat. 1483.  
34 U. S. C. § 286a.

*Proviso.*  
Advancement of lieutenants with specified service.

(e) When officers of the line of the Navy, other than commissioned warrant officers, have completed twenty years' commissioned service, they may at any time thereafter, upon their own application, in the discretion of the President, be retired from active service and placed upon the retired list with retired pay computed as provided in subsection (b) of this section: *Provided*, That the Act of February 28, 1931 (46 Stat. 1431), insofar as the provisions thereof are embodied in section 388 (a) of title 34 of the United States code, is hereby repealed.

(f) Captains, commanders, and lieutenant commanders promoted to those grades by reason of adjudgment as fitted for promotion but not recommended by the report of a selection board, as approved by the President, for retention on the active list shall be retired on the date they are so promoted with the retired pay of the grade from which so promoted: *Provided*, That such officers shall not be retired earlier than six months after the date of approval by the President of the report of the selection board in which they were adjudged fitted for promotion.

(g) Officers named in a report of a selection board, as approved by the President, in accordance with the provisions of section 9 (c), shall be honorably discharged on June 30 of the fiscal year in which so named: *Provided*, That such officers shall receive on discharge not more than one year's pay if lieutenants (junior grade), or two years' pay if of a higher grade.

(h) Officers on a promotion list who fail to pass the required physical examination for promotion and who are found incapacitated for service by reason of physical disability contracted in the line of duty shall be retired in the rank for which they were selected, or adjudged fitted, with retired pay at the rate of 75 per centum of the active-duty pay of the grade to which selected or adjudged fitted.

(i) Officers who fail on the professional examination for promotion shall be honorably discharged with one year's pay if of less than twenty years' service; if of over twenty years' service they shall be retired on June 30 of the fiscal year in which they so fail with retired pay computed as in section 12 (b) of this Act.

(j) No officer on the active list of the Navy on the date of approval of this Act shall be retired in his present grade by reason of the provisions of subsection (b) of this section or in the next higher grade by reason of the provisions of subsection (f) of this section sooner than he would have been retired by reason of service ineligibility for consideration for selection under provisions of law in effect on the date of approval of this Act: *Provided*, That when any such officer shall have twice failed of selection as best fitted he shall become ineligible for consideration by subsequent selection boards.

(k) Officers now in the grades of lieutenant commander and lieutenant, and lieutenants (junior grade) now additional numbers on the active list of the Navy by reason of the operation of the Act of March 3, 1931 (46 Stat. 1483), as amended, shall, at their own request, in lieu of the honorable discharge provided in subsection (c) of this section, be continued on the active list of the Navy until the completion of the period of service designated in the said Act, as amended, and shall then be retired as provided therein, but when they have twice failed of selection as best fitted they shall become ineligible for consideration by subsequent selection boards for promotion to lieutenant: *Provided*, That lieutenants who served in the Navy or Naval Reserve Force prior to November 12, 1918, and who shall have completed not less than twenty-one years of service shall on retirement as provided in this subsection be advanced to the grade of lieutenant commander on the retired list with the retired pay of that grade.

(1) All line officers of the Navy who have been specially commended for their performance of duty in actual combat by the head of the executive department under whose jurisdiction such duty was performed, when retired, except as provided in section 12 (h) of this Act, shall, upon retirement, be placed upon the retired list with the rank of the next higher grade and with three-fourths of the active-duty pay of the grade in which serving at the time of retirement.

Officers specially commended for combat duty.

SEC. 13. (a) Should it be found in time of peace at the end of any fiscal year that the average number of vacancies in the grade of rear admiral for the fiscal years subsequent to the passage of this Act has been less than eight, the Secretary of the Navy shall convene a board consisting of the Chief of Naval Operations, the Commander in Chief, United States Fleet, and the Commander, Battle Force, to recommend for retirement a sufficient number of rear admirals to cause the aforesaid average number of vacancies.

Rear admirals. Maintenance of average annual number of vacancies.

(b) The report of the board shall be submitted to the President for approval or disapproval; if the President shall disapprove the recommendations of the board in whole or in part, the board shall then recommend additional officers for retirement equal in number to those disapproved by the President.

Report to President.

(c) Officers so recommended for retirement and approved by the President shall be placed upon the retired list on June 30 of the fiscal year of the approval of the report of the board, with retired pay at the rate of 75 per centum of their active-duty pay.

Retirement of recommended, etc., officers.

#### PROBATIONARY APPOINTMENTS OF OFFICERS

SEC. 14. (a) The Secretary of the Navy, under such regulations as he may prescribe, may hereafter revoke the commission of any officer on the active list, initially commissioned after the date of this Act, who, at the date of said revocation has had less than seven years of continuous service as a commissioned officer of the line of the Navy or of the Marine Corps, and each officer whose commission is so revoked shall be discharged from the naval service: *Provided*, That the selection boards considering lieutenant (junior grade) shall report the name of officers of that grade whom they consider lacking in aptitude for the naval service, and the commissions of officers so reported shall be revoked: *Provided further*, That no officer discharged by reason of revocation of commission within a period of probation shall receive advanced pay or allowances upon such discharge.

Probationary appointments.

Revocation of commission; discharge.

*Proviso.* Officers lacking in aptitude to be reported.

No advanced pay, etc.

(b) If there be in any year an excess number of graduates of the Naval Academy available for commission in the line of the Navy over that number which in the opinion of the Secretary of the Navy, will satisfactorily meet the needs of the Navy for commissioned officers, such excess number of graduates shall be given a certificate of graduation and an honorable discharge with one year's pay if they are designated by the academic board of the Naval Academy as having an aptitude for the naval service: *Provided*, That only those midshipmen who are designated by the academic board of the Naval Academy as having an aptitude for the naval service shall be initially commissioned, all other graduates to be given a certificate of graduation and an honorable discharge without pay.

Naval Academy surplus graduates, certificates of graduation and an honorable discharge.

*Proviso.* Aptitude requirement for commission.

#### MARINE CORPS

Marine Corps.

SEC. 15. (a) The rank among themselves of officers of the Marine Corps appointed from sources other than the Naval Academy with the same date of commission shall be determined on promotion to first lieutenant by boards of officers under such rules as may be

Determination of rank, officers appointed from sources other than Naval Academy.

Distribution, promotion, retirement, etc.  
48 Stat. 811.  
34 U. S. C. § 626a.

*Proviso.*  
Composition except in time of war.

Staff eligible list.  
48 Stat. 812.  
34 U. S. C. § 667f.

Consideration not to be given by any subsequent board; exception.

*Proviso.*  
Removal of name and submission to next board.

Authorized enlisted strength, active list.

General officer grade.  
Maintenance of annual average number of vacancies.

Provisions inapplicable to brigadier generals.  
Officers twice failing of selection as best fitted; status.

prescribed by the Secretary of the Navy, and the recommendations of such boards shall be final when approved by him.

(b) Section 1 of the Act of Congress approved May 29, 1934 (48 Stat. 811), is hereby amended to read as follows: "That hereafter commissioned officers of the Marine Corps shall be authorized in number in the same proportion to authorized enlisted strength and shall be distributed in grades, promoted, retired, and discharged in like manner and with the same relative conditions in all respects as provided for commissioned officers of the line of the Navy, by existing law, or by laws hereafter enacted, except as may be necessary to adapt the said provisions to the Marine Corps, or as herein otherwise provided: *Provided*, That except in time of war there shall be not more than fourteen general officers on the active list of the Marine Corps, exclusive of the heads of staff departments and additional numbers in grade.

(c) Section 11 of the Act of Congress approved May 29, 1934 (48 Stat. 812), is hereby amended by striking out the words "on a promotion list" and inserting in lieu thereof the words "selected as best fitted for promotion", and by striking out the word "not" and inserting in lieu thereof the words "removed from and not replaced", so that the said section shall read as follows:

"Sec. 11. That an officer whose name is placed on an eligible list for appointment as head of a staff department shall not be again considered for that office by any subsequent selection board, except as otherwise provided in this section, and shall, in respect to involuntary retirement, be in the same status as if selected as best fitted for promotion: *Provided*, That the Secretary of the Navy may, in his discretion, with the approval of the President, remove his name from such list and submit it to the next ensuing selection board for consideration and recommendation. If recommended for appointment by said board and approved by the President, the name of such officer shall be replaced on the eligible list from which removed without prejudice by reason of its having been temporarily removed therefrom. If not recommended by said board, such officer shall be subject to involuntary retirement under the same conditions as provided for in the case of an officer whose name is removed from and not replaced on a promotion list."

(d) Hereafter the authorized enlisted strength of the active list of the Marine Corps shall be at all times 20 per centum of the total authorized enlisted strength of the active list of the Navy, exclusive of the Hospital Corps, prisoners undergoing sentence of discharge, enlisted men detailed for duty with the Naval Militia, and the Flying Corps.

(e) Should it be found in time of peace at the end of any fiscal year that the average number of vacancies in the grade of general officer of the line of the Marine Corps for the fiscal years subsequent to the passage of this Act has been less than two, the Secretary of the Navy shall direct the board provided for in section 13 of this Act to recommend for retirement a sufficient number of general officers of the line to cause the aforesaid average number of vacancies, the approval by the President of the recommendations and the retirement of the general officers to be effected under the same conditions as provided for in that section for rear admirals of the Navy.

(f) The provisions of this Act relating to selection boards designating officers whom they adjudge fitted for promotion shall not apply to brigadier generals of the Marine Corps and when such officers twice fail of selection as best fitted, as defined in section 9 (a) of this Act, they shall be placed on the retired list on June 30 of the fiscal year in which they fail of selection as best fitted the second

time, with retired pay at the rate of 75 per centum of their active-duty pay.

(g) Whenever there are insufficient general officers available to comprise a selection board for the recommendation of officers for promotion to the grades of brigadier general and colonel without placing thereon general officers who served as members of the same corresponding board the preceding year, except the Commanding General, Fleet Marine Force, line officers of the Navy of the grade of rear admiral of the line may be substituted for general officers of the Marine Corps in order to comply with the provisions of section 5 (c) of this Act.

Marine Corps selection boards; substitution of naval officers in certain cases.

#### MISCELLANEOUS PROVISIONS

SEC. 16. (a) The provisions of this Act shall not apply to officers of the Staff Corps of the Navy.

Miscellaneous provisions.

(b) The Secretary of the Navy shall prescribe regulations whereby a uniform system of establishing a record of the efficiency of officers may be employed throughout the Navy.

#### REPEAL PROVISIONS

SEC. 17. All laws or parts of laws inconsistent with the provisions of this Act are hereby repealed, and the provisions of this Act shall be in effect in lieu thereof.

Repeal provisions.

Approved, June 23, 1938.

#### [CHAPTER 599]

##### AN ACT

To amend the Perishable Agricultural Commodities Act, 1930, as amended.

June 23, 1938  
[H. R. 10785]  
[Public, No. 704]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 7 (a) of the Perishable Agricultural Commodities Act, 1930, as amended, is further amended by changing the semicolon at the end thereof to a period and adding the following language: "If, after the respondent has filed his answer to the complaint, it appears therein that the respondent has admitted liability for a portion of the amount claimed in the complaint as damages, the Secretary under such rules and regulations as he shall prescribe, unless the respondent has already made reparation to the person complaining, may issue an order directing the respondent to pay to the complainant the undisputed amount on or before the date fixed in the order, leaving the respondent's liability for the disputed amount for subsequent determination. The remaining disputed amount shall be determined in the same manner and under the same procedure as it would have been determined if no order had been issued by the Secretary with respect to the undisputed sum;".

Perishable Agricultural Commodities Act, 1930, amendment.

50 Stat. 728.  
7 U. S. C., Supp. III, § 499g.  
Reparation order directing immediate payment of undisputed amount to complainant.

Determination of remaining disputed amount.

Approved, June 23, 1938.

#### [CHAPTER 600]

##### AN ACT

To amend the Merchant Marine Act, 1936, to further promote the merchant marine policy therein declared, and for other purposes.

June 23, 1938  
[H. R. 10315]  
[Public, No. 705]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 202 of the Merchant Marine Act, 1936, is amended by adding at the end thereof a new sentence to read as follows: "The Commission may, upon such terms and conditions as it may prescribe in accordance

Merchant Marine Act, 1936, amendments.  
49 Stat. 1986; 50 Stat. 839.  
46 U. S. C., Supp. III, § 1112.



Extensions and renewals of notes and other evidences of indebtedness.

49 Stat. 1938.

Contracts authorized for carrying out authorized activities, etc.

Audit of financial transactions.  
42 Stat. 444.

*Proviso.*  
Allowance of credit for all necessary expenditures.

Report of departures to Congress.

49 Stat. 1991.

Investigations; authority to secure testimony, etc.

Witness fees and mileage.

49 Stat. 1991.

Vessels for foreign commerce, purchase, etc.

49 Stat. 1989.  
46 U. S. C., Supp. III, § 1121.  
*Proviso.*  
Basis of price.

Suitability requirement.

Documentation of vessels.

with sound business practice, make such extensions and accept such renewals of the notes and other evidences of indebtedness hereby transferred, and of the mortgages and other contracts securing the same, as it may deem necessary to carry out the objects of this Act."

SEC. 2. Section 207 of such Act is amended to read as follows:

"SEC. 207. The Commission may enter into such contracts, upon behalf of the United States, and may make such disbursements as may, in its discretion, be necessary to carry on the activities authorized by this Act, or to protect, preserve, or improve the collateral held by the Commission to secure indebtedness, in the same manner that a private corporation may contract within the scope of the authority conferred by its charter. All the Commission's financial transactions shall be audited in the General Accounting Office according to approved commercial practice as provided in the Act of March 20, 1922 (42 Stat. 444): *Provided*, That it shall be recognized that, because of the business activities authorized by this Act, the accounting officers shall allow credit for all expenditures shown to be necessary because of the nature of such authorized activities, notwithstanding any existing statutory provision to the contrary. The Comptroller General shall report annually or oftener to Congress any departure by the Commission from the provisions of this Act."

SEC. 3. Section 214 (a) of such Act is amended to read as follows:

"SEC. 214. (a) For the purpose of any investigation which, in the opinion of the Commission, is necessary and proper in carrying out the provisions of this Act, any member of the Commission, or any officer or employee thereof designated by it, is empowered to subpoena witnesses, administer oaths and affirmations, take evidence, and require the production of any books, papers, or other documents which are relevant or material to the matter under investigation. Such attendance of witnesses and the production of such books, papers, or other documents may be required from any place in the United States or any Territory, district, or possession thereof at any designated place of hearing. Witnesses summoned before the Commission shall be paid the same fees and mileage that are paid witnesses in the courts of the United States."

SEC. 4. Title II of such Act is amended by adding at the end thereof a new section to read as follows:

"SEC. 215. The Commission is authorized to acquire by purchase or otherwise such vessels constructed in the United States as it may deem necessary to establish, maintain, improve, or effect replacements upon any service, route, or line in the foreign commerce of the United States determined to be essential under section 211 of this Act, and to pay for the same out of its construction fund: *Provided*, That the price paid therefor shall be based upon a fair and reasonable valuation, but it shall not exceed by more than 5 per centum the cost of such vessel to the owner (excluding any construction-differential subsidy and the cost of national defense features paid by the Commission) plus the actual cost previously expended thereon for reconditioning less depreciation based upon a twenty-year life expectancy of the vessel. No such vessel shall be acquired by the Commission unless the Secretary of the Navy has certified to the Commission that such vessel is suitable for economical and speedy conversion into a naval or military auxiliary, or otherwise suitable for the use of the United States in time of war or national emergency. Every vessel acquired under authority of this section that is not documented under the laws of the United States at the time of its acquisition shall be so documented as soon as practicable."

SEC. 5. Section 301 (a) of such Act is amended to read as follows:

"SEC. 301. (a) The Commission is authorized and directed to investigate the employment and wage conditions in ocean-going shipping and, after making such investigation and after appropriate hearings, to incorporate in the contracts authorized under titles VI and VII of this Act minimum manning scales and minimum wage scales, and minimum working conditions for all officers and crews employed on all types of vessels receiving an operating-differential subsidy. After such minimum manning and wage scales, and working conditions shall have been adopted by the Commission, no change shall be made therein by the Commission except upon public notice of the hearing to be had, and a hearing by the Commission of all interested parties, under such rules as the Commission shall prescribe. The duly elected representatives of the organizations certified as the proper collective bargaining agencies shall have the right to represent the employees who are members of their organizations at any such hearings. Every contractor receiving an operating-differential subsidy shall post and keep posted in a conspicuous place on each such vessel operated by such contractor a printed copy of the minimum manning and wage scales, and working conditions prescribed by his contract and applicable to such vessel: *Provided, however*, That any increase in the operating expenses of the subsidized vessel occasioned by any change in the wage or manning scales or working conditions as provided in this section shall be added to the operating-differential subsidy previously authorized for the vessel."

SEC. 6. Section 301 (b) of such Act is amended to read as follows:

"(b) Every contract executed under authority of titles VI and VII of this Act shall require—

"(1) Insofar as is practicable, officers' living quarters shall be kept separate and apart from those furnished for members of the crew;

"(2) Licensed officers and unlicensed members of the crew shall be entitled to make complaints or recommendations to the Commission providing they file such complaint or recommendation directly with the Commission, or with their immediate superior officer who shall be required to forward such complaint or recommendation with his remarks to the Commission, or with the authorized representatives of the respective collective bargaining agencies;

"(3) Licensed officers who are members of the United States Naval Reserve shall wear on their uniforms such special distinguishing insignia as may be approved by the Secretary of the Navy; officers being those men serving under licenses issued by the Bureau of Marine Inspection and Navigation;

"(4) The uniform stripes, decoration, or other insignia shall be of gold braid or woven gold or silver material, to be worn by officers, and no member of the ship's crew other than licensed officers shall be allowed to wear any uniform with such officer's identifying insignia;

"(5) No discrimination shall be practiced against licensed officers, who are otherwise qualified, because of their failure to qualify as members of the United States Naval Reserve."

SEC. 7. Section 402 (b) and section 402 (c) of such Act are amended by striking out the quotation marks.

SEC. 8. Section 501 (c) of such Act is amended by striking out the term "section 201 (c)" and inserting in lieu thereof the term "section 204 (b)".

SEC. 9. The second sentence of section 502 (a) of such Act is amended by striking out the words "the cost of the vessel" and inserting in lieu thereof the words "of the contract price of the vessel".

49 Stat. 1992.  
American seamen.  
Investigation of employment and wage conditions.

Incorporation of minimum manning and wage scales in contracts.

Working conditions.

Hearings prior to change.

Collective bargaining agencies, representation.

Posting of copy of scales, etc.

*Proviso.*  
Increased expense to be added to operating-differential subsidy.

49 Stat. 1992.

Contract requirements.

Quarters.

Complaints or recommendations.

Special distinguishing insignia, licensed officers, members of Naval Reserve.

Description; restriction.

No discrimination against licensed officers failing to qualify.

Textual changes.  
49 Stat. 1994.

49 Stat. 1995.

49 Stat. 1996.  
46 U. S. C., Supp. III, § 1152.

49 Stat. 1996.  
Construction-differential subsidy.

Limitation.

49 Stat. 1985.  
46 U. S. C., Supp.  
III, § 1111.

Collusive bidding.

49 Stat. 1996.  
Terms of sale of  
vessel to applicant.  
Cash payments.

Interest.

Balance of purchase  
price; installments.

Interest.

SEC. 10. Section 502 (b) of such Act is amended to read as follows:

"(b) The amount of the reduction in selling price which is herein termed the 'construction-differential subsidy' may equal, but not exceed, the excess of the bid of the shipbuilder constructing the proposed vessel (excluding the cost of any features incorporated in the vessel for national-defense uses, which shall be paid by the Commission in addition to the subsidy), over the fair and reasonable estimate of cost, as determined by the Commission, of the construction of the proposed vessel if it were constructed under similar plans and specifications (excluding national-defense features as above provided) in a principal foreign shipbuilding center which may reasonably be availed of by the principal foreign competitors in the service in which the vessel is to be operated, and which is deemed by the Commission to furnish a fair and representative example for the determination of the estimated cost of construction in foreign countries of vessels of the type proposed to be constructed. The construction differential approved by the Commission shall not exceed  $33\frac{1}{3}$  per centum of the construction cost of the vessel paid by the Commission (excluding the cost of national-defense features as above provided), except that in cases where the Commission possesses convincing evidence that the actual differential is greater than that percentage, the Commission may approve an allowance not to exceed 50 per centum of such cost, upon the affirmative vote of four members, except as otherwise provided in subsection 201 (a). In any case where the Commission finds that the construction differential exceeds  $33\frac{1}{3}$  per centum of such cost and that the lowest bid of a responsible domestic shipbuilder is unreasonable, excessive, or collusive, the Commission may negotiate and contract with the view to construction in a domestic shipyard that is not unreasonable or excessive in cost or collusive in character. Where the Commission finds that the construction differential exceeds 50 per centum of such cost, the Commission may negotiate and contract on behalf of the applicant to build such vessel in a domestic shipyard at a cost which will reduce the construction differential to 50 per centum or less. In the event that the Commission have reason to believe that the bidding in any instance is collusive, it shall report all of the evidence on which the Commission acted (1) to the Attorney General of the United States, and (2) to the President of the Senate and to the Speaker of the House of Representatives if the Congress shall be in session or if the Congress shall not be in session, then to the Clerk of the Senate and the Clerk of the House respectively."

SEC. 11. Section 502 (c) of such Act is amended to read as follows:

"(c) In such contract between the applicant and the Commission, the applicant shall be required to make cash payments to the Commission of not less than 25 per centum of the price at which the vessel is sold to the applicant. The cash payments shall be made at the time and in the same proportion as provided for the payments on account of the construction cost in the contract between the shipbuilder and the Commission. The applicant shall pay, not less frequently than annually, interest at the rate of  $3\frac{1}{2}$  per centum per annum on those portions of the Commission's payments as made to the shipbuilder which are chargeable to the applicant's purchase price of the vessel (after deduction of the applicant's cash payments). The balance of such purchase price shall be paid by the applicant, within twenty years after delivery of the vessel and in not to exceed twenty equal annual installments, the first of which shall be payable one year after the delivery of the vessel by the Commission to the applicant. Interest at the rate of  $3\frac{1}{2}$  per centum per annum shall be paid on all such installments of the purchase price remaining unpaid."

SEC. 12. Section 502 (d) of such Act is amended (a) by striking out "construction subsidy" and inserting in lieu thereof "construction-differential subsidy", and (b) by adding at the end thereof a new sentence to read as follows: "Nothing in this section shall be construed as authorizing the Commission to approve a construction-differential in excess of 50 per centum of the construction cost of the vessel paid by the Commission."

Vessels constructed on Pacific Coast.  
49 Stat. 1997.

Construction-differential, limitation.

SEC. 13. Section 502 of such Act is amended by adding at the end thereof a new subsection to read as follows:

49 Stat. 1997.

"(f) If at any time the Commission shall find that the existing ship yards, including the navy yards, do not provide adequate facilities to meet necessary requirements for purposes of national defense and national emergency, with special regard to providing facilities for the national defense at strategic points, the Commission, after taking into consideration the benefits accruing from standardized construction, the conditions of unemployment, and the needs and reasonable requirements of all ship yards, may, with the approval of the President, allocate construction work under this title and under title VII to such yards in such manner as it may determine to be fair, just, and reasonable to all sections of the country, subject to the provisions of this subsection. In the allocation of construction work to such yards as herein provided, the Commission may, after first obtaining competitive bids for such work in compliance with the provisions of this Act, negotiate with the bidders and with other shipbuilders concerning the terms and conditions of any contract for such work, and is authorized to enter into such contract at a price deemed by the Commission to be fair and reasonable. Any contract entered into by the Commission under the provisions of this subsection shall be subject to all of the terms and conditions of this Act, excepting those pertaining to the awarding of contracts to the lowest bidder which are inconsistent with the provisions of this subsection. In the event that a contract is made providing for a price in excess of the lowest responsible bid which otherwise would be accepted, such excess shall be paid by the Commission as a part of the cost of national defense, and shall not be considered as a part of the construction-differential subsidy. In the event that a contract is made providing for a price lower than the lowest responsible bid which otherwise would be accepted, the construction-differential subsidy shall be computed on the contract price in lieu of such bid."

Allocation of construction work.

49 Stat. 2008.  
46 U. S. C., Supp. III, §§ 1191-1204.

Competitive bids; terms and conditions of contracts.

Price in excess of lowest responsible bid.

Price lower than lowest responsible bid.

SEC. 14. Section 502 of such Act is amended by adding at the end thereof a new subsection to read as follows:

49 Stat. 1997.

"(g) Upon the agreement of an applicant under this title to purchase any vessel acquired by the Commission under the provisions of section 215, the Commission is authorized to sell such vessel to the applicant for the fair and reasonable value thereof, but at not less than the cost thereof to the Commission, less depreciation based on a twenty-year life expectancy from the date of completion, excluding the cost of national-defense features added by the Commission, less the equivalent of any applicable construction-differential subsidy as provided by subsection (b), such sale to be in accordance with all the provisions of this title. Such vessel shall thereupon be eligible for an operating-differential subsidy under title VI of this Act, notwithstanding the provisions of section 601 (a) (1), and section 610 (1), or any other provision of law."

Sale of vessels acquired by Commission.

*Ante*, p. 954.

49 Stat. 2001, 2007.

SEC. 15. Section 503 of such Act is amended to read as follows:

49 Stat. 1997.

"SEC. 503. Upon completion of the construction of any vessel in respect to which a construction-differential subsidy is to be allowed under this title and its delivery by the shipbuilder to the Commission, the vessel shall be documented under the laws of the United States,

Documentation of vessels.

Delivery.

Period of documentation.

Mortgage to secure payments due.

41 Stat. 992.  
46 U. S. C. § 868.

49 Stat. 1938.

Financing construction by applicant in lieu of purchase.

Approval of bid, etc.

*Ante*, p. 956.  
Subsidy, etc.

Documentation.  
*Ante*, p. 957.

Contracts for scientific equipment.  
49 Stat. 1939.  
46 U. S. C., Supp. III, § 1155 (b).

Report to Congress.

49 Stat. 1939.

Operation of subsidy-constructed vessel exclusively in foreign trade, etc.

and concurrently therewith, or as soon thereafter as practicable, the vessel shall be delivered with a bill of sale to the applicant with warranty against liens, pursuant to the contract of purchase between the applicant and the Commission. The vessel shall remain documented under the laws of the United States for not less than twenty years, or so long as there remains due the United States any principal or interest on account of the purchase price, which ever is the longer period. At the time of delivery of the vessel the applicant shall execute and deliver a first preferred mortgage to the United States to secure payment of any sums due from the applicant in respect to said vessel. The purchaser shall also comply with all the provisions of section 9 of the Merchant Marine Act, 1920."

SEC. 16. Section 504 of such Act is amended to read as follows:

"SEC. 504. Where an eligible applicant under the terms of this title desires to finance the construction of a proposed vessel according to approved plans and specifications rather than purchase the same vessel from the Commission as hereinabove authorized, the Commission may permit the applicant to obtain and submit to it competitive bids from domestic shipyards for such work. If the Commission considers the bid of the shipyard in which the applicant desires to have the vessel built fair and reasonable, it may approve such bid and become a party to the contract or contracts or other arrangements for the construction of such proposed vessel and may agree to pay a construction-differential subsidy in an amount determined by the Commission in accordance with section 502 of this title, and for the cost of national-defense features. The construction-differential subsidy and payments for national-defense features shall be based on the lowest responsible domestic bid. No construction-differential subsidy, as provided in this section, shall be paid unless the said contract or contracts or other arrangements contain such provisions as are provided in this title to protect the interests of the United States as the Commission deems necessary. Such vessel shall be documented under the laws of the United States as provided in section 503 of this title and operated as approved by the Commission under the requirements applicable to vessels constructed under this Act."

SEC. 17. The last proviso in section 505 (b) of such Act is amended to read as follows: "*Provided*, That this section shall not apply to contracts or subcontracts for scientific equipment used for communication and navigation as may be so designated by the Commission, nor to contracts or other arrangements entered into under this title by the terms of which the United States undertakes to pay only for national-defense features, and the Commission shall report annually<sup>1</sup> to Congress the names of such contractors and subcontractors affected by this provision, together with the applicable contracts and the amounts thereof."

SEC. 18. Section 506 of such Act is amended to read as follows:

"Section 506. Every owner of a vessel for which a construction-differential subsidy has been paid shall agree that the vessel shall be operated exclusively in foreign trade, or on a round-the-world voyage, or on a round voyage from the west coast of the United States to a European port or ports which includes intercoastal ports of the United States, or a round voyage from the Atlantic coast of the United States to the Orient which includes intercoastal ports of the United States, or on a voyage in foreign trade on which the vessel may stop at an island possession or island territory of the United States, and that if the vessel is operated in the domestic trade

<sup>1</sup> So in original.

on any of the above-enumerated services, he will pay annually to the Commission that proportion of one-twentieth of the construction-differential subsidy paid for such vessel as the gross revenue derived from the domestic trade bears to the gross revenue derived from the entire voyages completed during the preceding year. The Commission may consent in writing to the temporary transfer of such vessel to service other than the service covered by such agreement for periods not exceeding six months in any year, whenever the Commission may determine that such transfer is necessary or appropriate to carry out the purposes of this Act. Such consent shall be conditioned upon the agreement by the owner to pay to the Commission, upon such terms and conditions as it may prescribe, an amount which bears the same proportion to the construction-differential subsidy paid by the Commission as such temporary period bears to the entire economic life of the vessel. No operating-differential subsidy shall be paid for the operation of such vessel for such temporary period."

SEC. 19. Section 507 of such Act is amended to read as follows:

"SEC. 507. If a contract is made by the Commission under authority of this title for the construction and sale of a new vessel to replace a vessel then operated in foreign trade, which in the judgment of the Commission should be replaced because it is obsolete or inadequate for successful operation in such trade, the Commission is authorized, in its discretion, to buy such replaced vessel from the owner at a fair and reasonable valuation, which valuation shall not exceed the cost to the owner or any former owner plus the actual cost previously expended thereon for reconditioning, and less a reasonable and proper depreciation, based upon not more than a twenty-year life of the vessel, and apply the purchase price agreed upon to that portion of the construction cost of such new vessel which is to be borne by the purchaser thereof: *Provided*, That the owner of such replaced vessel shall execute a bond, with one or more approved sureties, conditioned upon indemnifying the United States from all loss resulting from any existing lien against such vessel: *And provided further*, That such vessel has been documented under the laws of the United States for a period of at least ten years prior to the date of its purchase by the United States."

SEC. 20. The first sentence of section 509 of such Act, and so much of the second sentence thereof as precedes the first semicolon therein, are amended to read as follows: "Any citizen of the United States may make application to the Commission for aid in the construction of a new vessel to be operated in the foreign or domestic trade (excepting vessels engaged solely in the transportation of property on inland rivers and canals exclusively). If such application is approved by the Commission, the vessel may be constructed under the terms and conditions of this title, but no construction-differential subsidy shall be allowed, except as otherwise provided in this title. The Commission shall pay for the cost of national-defense features incorporated in such vessel. The applicant shall be required to pay the Commission not less than 25 per centum of the cost of such vessel (excluding cost of national-defense features)".

SEC. 21. Section 604 of such Act is amended to read as follows:

"SEC. 604. If in the case of any particular foreign-trade route the Commission shall by unanimous vote find after consultation with the Secretary of State, that the subsidy provided for in this title is in any respect inadequate to offset the effect of governmental aid paid to foreign competitors, it may grant such additional subsidy as it determines to be necessary for that purpose: *Provided*, That no such additional subsidy shall be granted except upon the unanimous affirmative vote of the members of the Commission."

Payment to Commission for deviations.

Temporary transfer.

49 Stat. 2000.

Construction of new vessel to replace obsolete vessel.

Purchase of replaced vessel by Commission.

Credit to construction cost of new vessel.

*Provisos.*  
Surety bond.

Documentation requirement.

49 Stat. 2000.  
Construction of new vessels.  
Application by citizen for aid in.

Terms and conditions.

First payment.

49 Stat. 2003.

Foreign trade routes, additional subsidy; when granted.

*Proviso.*  
Unanimous approval by Commission.

49 Stat. 2004.

Contract readjust-  
ments.  
Excess profits; re-  
capture provision.

SEC. 22. Section 606 (5) of such Act is amended to read as follows:  
“(5) That when at the end of any ten-year period during which an operating-differential subsidy has been paid, or when prior to the end of any such ten-year period the contract shall be terminated, if the net profit of the contractor on his subsidized vessels and services incident thereto during such period or time (without regard to capital gains and capital losses), after deduction of depreciation charges based upon a twenty-year life expectancy of the subsidized vessels, has averaged more than 10 per centum per annum upon the contractor's capital investment necessarily employed in the operation of the subsidized vessels, services, routes, and lines, the contractor shall pay to the United States an amount equal to one-half of such profits in excess of 10 per centum per annum as partial or complete reimbursement for operating-differential subsidy payments received by the contractor for such ten-year period, but the amount of excessive profit so recaptured shall not in any case exceed the amount of the operating-differential-subsidy payments theretofore made to the contractor for such period under such contract and the repayment of such reimbursement to the Commission shall be subject to the provisions of section 607;”.

49 Stat. 2005.  
Capital reserve  
fund.  
Deposit of proceeds  
of insurance, indemni-  
ties, etc., in.

SEC. 23. The last sentence of the first paragraph of section 607 (b) of such Act is amended to read as follows: “The proceeds of all insurance and indemnities received by the contractor on account of total loss of any subsidized vessel and the proceeds of any sale or other disposition of such vessel shall also be deposited in the capital reserve fund.”

49 Stat. 2005.  
Payment from fund  
of sums owing but not  
due.

SEC. 24. Section 607 (b) of such Act is amended by adding at the end thereof a new sentence to read as follows: “The contractor may, with the consent of the Commission, pay from said fund any sums owing but not yet due on notes secured by mortgages on subsidized vessels.”

49 Stat. 2006.

Special reserve fund.  
Excess profits, de-  
posit and disburse-  
ments.

SEC. 25. The second paragraph of section 607 (c) of such Act is amended to read as follows:

“If the profits, without regard to capital gains and capital losses, earned by the business of the subsidized vessels and services incident thereto exceed 10 per centum per annum and exceed the percentage of profits deposited in the capital reserve fund, as provided in subsection (b) of this section, the contractor shall deposit annually such excess profits in this reserve fund. From the special reserve fund the contractor may make the following disbursements and no others:”.

49 Stat. 2006.

Reimbursement to  
general funds for cur-  
rent operating losses.

SEC. 26. Section 607 (c) (2) of such Act is amended to read as follows:

“(2) Reimbursement to the contractor's general funds for current operating losses on completed voyages of subsidized vessels whenever the Commission shall determine it is improbable that such current losses will be made up by profits on other voyages during the current year;”.

49 Stat. 2007.

Disposition of re-  
quired reserve funds  
upon termination of  
contract.

SEC. 27. Section 607 of such Act is amended by inserting after subsection (e) two new subsections to read as follows:

“(f) Unless otherwise provided in the operating-differential subsidy contract, upon the termination of any such contract, the reserve funds required under this Act shall be the property of the contractor, except for such amounts as may be due the United States.

Voluntary increases  
in reserve funds.

“(g) With the approval of the Commission, the contractor may voluntarily increase the amount of either or both reserve funds by depositing in such fund or funds any or all of the earnings otherwise available for distribution to stockholders, or may transfer funds from the special reserve funds to the capital reserve fund.”

SEC. 28. Section 607 (f) of such Act is amended to read as follows:

“(h) The earnings of any contractor receiving an operating-differential subsidy under authority of this Act, which are deposited in the contractor’s reserve funds as provided in this section, except earnings withdrawn from the special reserve funds and paid into the contractor’s general funds or distributed as dividends or bonuses as provided in paragraph 4 of subsection (c) of this section, shall be exempt from all Federal taxes. Earnings withdrawn from such special reserve fund shall be taxable as if earned during the year of withdrawal from such fund.”

SEC. 29. Section 609 (b) of such Act is hereby repealed. Section 609 (a) of such Act is amended by striking out “(a)”.

SEC. 30. Title VI of such Act is amended by adding at the end thereof new sections to read as follows:

“SEC. 611. (a) The contractor, upon compliance with the provisions of this section, may transfer to foreign registry the vessels covered by any operating-differential subsidy contract held by him, in the event that the United States defaults upon such contract or cancels it without just cause. Any contractor desiring to transfer any such vessel to foreign registry upon such default or cancellation shall file an application in writing with the Commission setting forth its contentions with respect to the lack of just cause or lawful grounds for such default or cancellation. The Commission shall afford the contractor an opportunity for a hearing within twenty days after such contractor files written application therefor, and after the testimony, if any, in such hearing has been reduced to writing and filed with the Commission, it shall, within a reasonable time, grant or deny the application by order.

“(b) If any such application is denied, the contractor may obtain a review of the order of denial in the United States Court of Appeals for the District of Columbia, by filing in such court, within twenty days after the entry of such order, a written petition praying that the order of the Commission be set aside. A copy of such petition shall be forthwith served upon any member of the Commission, or upon any officer thereof designated by the Commission for that purpose, and thereupon the Commission shall certify and file in the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript such court shall have exclusive jurisdiction to determine whether such cancellation or default was without just cause, and to affirm or set aside such order. The judgment and decree of the court affirming or setting aside any such order of the Commission shall be final.

“(c) No transfer of vessels to foreign registry under this section shall become effective until any indebtedness to the Government or to any citizen of the United States, secured by such vessels, has been paid or discharged, and until after the expiration of ninety days from the date of final determination of the application or the appeal, if any. Within such ninety-day period the Commission may (1) with the consent of the contractor purchase the vessels at cost to the contractor plus cost of capital improvements thereon, less 5 per centum annual depreciation upon such vessel, and the actual depreciated costs of capital improvements thereon, or (2) reinstate the contract and adjust or settle the default found by the Commission or the court to exist.

“SEC. 612. The Commission is authorized to subordinate its interest as mortgagee in any vessel subsidized under the provisions of this title in favor of any loan for working capital made by the Reconstruction Finance Corporation under the Reconstruction Finance Corporation Act, as amended, if the Commission finds that the making of such

49 Stat. 2007.

Tax exemptions.

Exceptions.

49 Stat. 2007.

Textual changes.

49 Stat. 2008.

Transfers to foreign registry, when permitted.

Application.

Hearings.

Review of adverse decision.

Service of petition.

Court jurisdiction.

Finality of judgment and decree.

Payment of indebtedness due upon transfer.

Purchase of vessels by Commission; reinstatement of contract, etc.

Loans for working capital; subordination of Commission's interest, under specified conditions.

47 Stat. 5.  
15 U. S. C. §§ 601-617;  
Supp. III, ch. 14.



*Proviso.*  
Transfer of obligations.

49 Stat. 2009.

Payment of operating-differential subsidies to charterers.

49 Stat. 2011.

Essential trade routes, finding by Commission of inability to develop, etc., under private operation.

Construction of vessels and demise under bare-boat charter.

Option to purchase.

Interest rate.

Deferred payments, limitation.

49 Stat. 2011.

Contract provisions.

Purchase or requisition of vessels, etc., on which subsidy paid.

Amount of payment to owner.

Computation of depreciated value.

loan by the Reconstruction Finance Corporation would be in furtherance of the policies of this Act or would, in its opinion, preserve or protect its mortgage interest in said subsidized vessel: *Provided*, That the obligations evidencing such loans by the Reconstruction Finance Corporation shall not be transferred, except to some other governmental agency."

SEC. 31. Section 708 of such Act is amended to read as follows:

"SEC. 708. The Commission may, if in its discretion financial aid is deemed necessary, enter into a contract with any charterer of its vessels for payment to such charterer of an operating-differential subsidy upon the same terms and conditions and subject to the same limitations and restrictions, where applicable, as are elsewhere provided in this Act with respect to payments of such subsidies to operators of privately owned vessels."

SEC. 32. Section 714 of such Act is amended to read as follows:

"SEC. 714. If the Commission shall find that any trade route (determined by the Commission to be an essential trade route as provided in section 211 of this Act) cannot be successfully developed and maintained and the Commission's replacement program cannot be achieved under private operation of such trade route by a citizen of the United States with vessels registered under the laws thereof, without further Government aid in addition to the financial aids authorized under titles V and VI of this Act, the Commission is authorized to have constructed, in private shipyards or in navy yards, the vessel or vessels of the types deemed necessary for such trade route, and to demise such new vessel or vessels on bare-boat charter to the American-flag operator established on such trade route, without advertisement or competition, upon an annual charter hire of not less than 5 per centum of the construction cost of such new vessel or vessels. Such charter may contain an option to the charterer to purchase such vessel or vessels from the Commission, within five years after the execution of the charter, upon the same terms and conditions as are provided in title V for the purchase of new vessels from the Commission and upon the agreement of the purchaser to pay interest at the rate of 3½ per centum per annum upon all unpaid portions of the purchase price from the date of the delivery of the vessel to the purchaser under the charter agreement with credit on the purchase price for all charter hire theretofore paid by the purchaser on account of such charter. If the option to purchase is exercised, the deferred payments of the purchase price shall not be extended beyond the life of the vessel computed on a twenty-year expectancy."

SEC. 33. Section 802 of such Act is amended to read as follows:

"SEC. 802. Every contract executed by the Commission under authority of title V of this Act shall provide that—

"In the event the United States shall, through purchase or requisition, acquire ownership of the vessel or vessels on which a construction-differential subsidy was paid, the owner shall be paid therefor the fair actual value thereof, but in no event shall such payment exceed the actual depreciated construction cost thereof (together with the actual depreciated cost of capital improvements thereon, but excluding the cost of national-defense features) less the depreciated amount of construction-differential subsidy theretofore paid incident to the construction or reconditioning of such vessel or vessels, or the fair and reasonable scrap value of such vessel as determined by the Commission, whichever is the greater. Such determination shall be final. In computing the depreciated value of such vessel, depreciation shall be computed on each vessel on the schedule adopted by the Bureau of Internal Revenue for income-tax purposes.

"The foregoing provision respecting the requisition or the acquisition of ownership by the United States shall run with the title to such vessel or vessels and be binding on all owners thereof."

SEC. 34. Section 803 of such Act is amended by striking out the provisos and the colon following the word "services", and inserting in lieu thereof a comma and the following: "except that the Commission, by a vote of four members (except as provided in section 201 (a)) may grant an exemption in writing from the provisions of this section, upon such terms and conditions and for such specific period of time as the Commission deems necessary or appropriate to carry out the policy of this Act, in any case where—

"(a) The Commission finds that the enforcement of such provisions is not necessary to safeguard the economical and fair application of subsidies paid the contractor under this Act, and that such exemption will promote economy or efficiency of service by the merchant marine; and

"(b) The person performing the services or supplying the facilities agrees to account for and pay over to the contractor any and all profits resulting from performing such services or supplying such facilities."

SEC. 35. The proviso in section 804 of such Act is amended to read as follows: "Provided, however, That under special circumstances and for good cause shown the Commission may, in its discretion, waive the provisions of this section as to any contractor, for a specific period of time, by affirmative vote of four of its members, except as otherwise provided in section 201 (a)."

SEC. 36. (a) Section 805 (b) of such Act is amended by inserting a period after the word "contractor" at the end thereof.

(b) Section 805 (c) of such Act is amended by striking out "no director" and inserting in lieu thereof "No director".

SEC. 37. The last sentence of section 805 (d) of such Act is amended to read as follows: "No contractor shall receive an operating-differential subsidy for the operation of any chartered vessel save and except during a period of actual emergency determined by the Commission, or except as provided in section 708."

SEC. 38. Section 807 of such Act is amended to read as follows:

"SEC. 807. It shall be unlawful for any person employed or retained by any shipbuilder or ship operator holding or applying for a contract under the provisions of this Act, or employed or retained by any subsidiary, affiliate, associate, or holding company of such shipbuilder or ship operator, to present, advocate, or oppose any matter within the scope of the Shipping Act, 1916, as amended, the Merchant Marine Act, 1920, as amended, the Merchant Marine Act, 1928, as amended, the Intercoastal Shipping Act, 1933, or this Act, before the Congress or any committee thereof, or before the Commission, unless such shipbuilder or ship operator shall have previously filed with the Commission in such form and detail as the Commission shall by rules and regulations or order prescribe as necessary or appropriate in the public interest, a statement of the subject matter in respect of which such person is retained or employed, the nature and character of such retainer or employment, and the amount of compensation received or to be received by such person, directly or indirectly, in connection therewith. It shall be the duty of every such person so employed or retained to file with the Commission within thirty days after the close of each calendar month during such retainer or employment, in such form and detail as the Commission shall by rules and regulations or order prescribe as necessary or appropriate in the public interest, a statement of the expenses

Provision to run with vessel title.

49 Stat. 2012.  
Restriction on employment of concern, etc., in which contractor financially interested.

Exemptions.  
49 Stat. 1985.

Where enforcement unnecessary.

Accounting and payment of all profits, etc.

49 Stat. 2012.  
Waiver permitted; affirmative vote of four members of Commission.  
Exception.

49 Stat. 1985.  
49 Stat. 2013.  
Textual amendments.

49 Stat. 2013.  
Chartered vessels, receipt of subsidy by contractor; limitation.

49 Stat. 2014.  
Lobbying activities.

39 Stat. 728; 41 Stat. 988; 45 Stat. 689; 47 Stat. 1425; 49 Stat. 1985.  
46 U. S. C. §§ 801, 861, 891, 843; Supp. III, § 1101; chs. 23, 24, 24A, 23A.

Statement of subject matter for which person employed.

Statement of expenses, etc.

Penalty for violation.

49 Stat. 2016.

Definitions.  
"Foreign commerce" or "foreign trade."

"Citizen of the United States", definition extended.

49 Stat. 1998.  
Textual corrections.

49 Stat. 2002.

49 Stat. 1987.

39 Stat. 730.  
46 U. S. C. § 808.

Restriction on unauthorized transfer to foreign registry.  
*Ante*, p. 961.

Penalty for violation.

47 Stat. 1426.  
46 U. S. C. § 845;  
Supp. III, § 845.  
Common carriers by water.  
Adjustment of unreasonable rates.

*Proviso.*  
Great Lakes, exemption from minimum-rate provision.

Provisions extended.

39 Stat. 728.  
46 U. S. C. § 801.

Textual correction.  
47 Stat. 1427.

incurred and the compensation received by such person during such month in connection with such retainer or employment. Whosoever shall violate this provision shall be guilty of a misdemeanor."

SEC. 39. (a) Section 905 (a) of such Act is amended to read as follows:

"(a) The words 'foreign commerce' or 'foreign trade' mean commerce or trade between the United States, its Territories or possessions, or the District of Columbia, and a foreign country."

(b) Section 905 (c) of such Act is amended by inserting before the period a comma and the following: "and, in the case of a corporation, partnership, or association operating a vessel on the Great Lakes, or on bays, sounds, rivers, harbors, or inland lakes of the United States the amount of interest required to be owned by a citizen of the United States shall be not less than 75 per centum".

SEC. 40. (a) Section 505 (a) of such Act is amended by striking out "subsidy is allowed" and inserting in lieu thereof "construction-differential subsidy is allowed".

(b) Section 602 of such Act is amended by striking out "operating subsidy" and inserting in lieu thereof "operating-differential subsidy".

SEC. 41. Section 204 (b) of such Act is amended by striking out the last sentence thereof.

SEC. 42. Section 9 of the Shipping Act, 1916, as amended, is amended by striking out paragraphs 3 and 4 and inserting in lieu thereof the following:

"Except as provided in section 611 of the Merchant Marine Act, 1936, as amended, it shall be unlawful, without the approval of the United States Maritime Commission, to sell, mortgage, lease, charter, deliver, or in any manner transfer, or agree to sell, mortgage, lease, charter, deliver, or in any manner transfer, to any person not a citizen of the United States, or transfer or place under foreign registry or flag, any vessel or any interest therein owned in whole or in part by a citizen of the United States and documented under the laws of the United States, or the last documentation of which was under the laws of the United States.

"Any such vessel, or any interest therein, chartered, sold, transferred, or mortgaged to a person not a citizen of the United States or placed under a foreign registry or flag, or operated, in violation of any provision of this section shall be forfeited to the United States, and whoever violates any provision of this section shall be guilty of a misdemeanor and subject to a fine of not more than \$5,000, or to imprisonment for not more than five years, or both."

SEC. 43. (a) The Intercoastal Shipping Act, 1933, is amended by inserting after section 3 thereof two new sections, to read as follows:

"SEC. 4. Whenever the Commission finds that any rate, fare, charge, classification, tariff, regulation, or practice demanded, charged, collected, or observed by any carrier subject to the provisions of this Act is unjust or unreasonable, it may determine, prescribe, and order enforced a just and reasonable maximum or minimum, or maximum and minimum rate, fare, or charge, or a just and reasonable classification, tariff, regulation, or practice: *Provided*, That the minimum-rate provision of this section shall not apply to common carriers on the Great Lakes.

"SEC. 5. The provisions of this Act are extended and shall apply to every common carrier by water in interstate commerce, as defined in section 1 of the Shipping Act, 1916."

(b) Section 4 of such Act is amended by striking out the term "SEC. 4" and inserting in lieu thereof the term "SEC. 6".

(c) Section 5 of such Act is amended to read as follows:

"SEC. 7. The provisions of the Shipping Act, 1916, as amended, shall in all respects, except as amended by this Act, continue to be applicable to every carrier subject to the provisions of this Act."

(d) Section 6 of such Act is amended by striking out the term "SEC. 6" and inserting in lieu thereof the term "SEC. 8".

(e) The amendments made by subsections (a), (b), (c), and (d) of this section shall take effect ninety days after the date of the enactment of this Act.

SEC. 44. Title II of the Merchant Marine Act, 1936, is amended by adding at the end thereof a new section to read as follows:

"SEC. 216. (a) The Commission is hereby authorized and directed, after consultation with all interests concerned, to prepare and report to the Congress on or before January 20, 1939, a comprehensive system for the training of citizens of the United States to serve as licensed and unlicensed personnel on American merchant vessels, and may employ as instructors, on a contract or fee basis, such qualified licensed and unlicensed personnel of the merchant marine as the Commission may deem necessary to effectuate the purposes of this section.

"(b) The Commission is hereby authorized and directed, under such rules and regulations as it may prescribe, to establish the United States Maritime Service to be a voluntary organization and which shall consist of such licensed and unlicensed personnel of the United States merchant marine as may be enrolled under the provisions of this section. The ranks, grades, and ratings for the personnel of the said Service shall be the same as are now or shall hereafter be prescribed for the personnel of the Coast Guard. The Commission is authorized and directed to determine the number of persons to be enrolled in the said Service, to fix the rates of pay of such persons, and to prescribe such courses and periods of training as, in its discretion, is necessary to maintain a trained and efficient merchant-marine personnel.

"(c) The Commission, with the consent of any executive department, independent establishment, or other agency of the Government, including any field service thereof, may avail itself of the use of information, services, facilities, officers, and employees thereof in carrying out the provisions of this section."

SEC. 45. The Merchant Marine Act, 1936, is amended by adding at the end thereof a new title to read as follows:

#### "TITLE X

"SEC. 1001. It is hereby declared to be the policy of the United States to eliminate the causes of certain substantial obstructions to the free flow of water-borne commerce and to mitigate and eliminate these obstructions when they have occurred by encouraging the practice and procedure of collective bargaining and the prompt and orderly settlement of all disputes concerning rates of pay, hours of employment, rules, or working conditions, including disputes growing out of grievances or out of the interpretation or application of agreements covering rates of pay, hours of employment, rules, or working conditions.

#### "NATIONAL LABOR RELATIONS BOARD

"SEC. 1002. The provisions of this title shall not in any manner affect or be construed to limit the provisions of the National Labor Relations Act, nor shall any of the unfair labor practices listed therein be considered a dispute for the purposes of this title. Ques-

47 Stat. 1427.

Application of provisions of Shipping Act of 1916.

Textual correction.  
47 Stat. 1427.

Effective date.

49 Stat. 1991.

Report to Congress of comprehensive system for training of citizens to serve on American merchant vessels.

Instructors.

United States Maritime Service, establishment.

Composition, ranks, etc.

Number of enrollees, pay, etc.

Cooperation by Government agencies with Commission.

49 Stat. 2017.

Title X.

Water-borne commerce.  
Declaration of policy.

National Labor Relations Board.  
49 Stat. 449.  
29 U. S. C. §§ 151-166.

tions concerning the representation of employees of a maritime employer shall be considered and determined by the National Labor Relations Board in accordance with the provisions of the National Labor Relations Act: *Provided, however,* That nothing in this title shall constitute a repeal or otherwise affect the enforcement of any of the navigation laws of the United States or any other laws relating to seamen.

*Proviso.*  
Enforcement of navigation laws.

Definitions.

#### "DEFINITIONS

"SEC. 1003. When used in this title—

"Water-borne commerce."

"(a) The term 'water-borne commerce' means commerce by water between any State, the District of Columbia, or any Territory or possession of the United States and any foreign country, or commerce by water on the high seas or the Great Lakes between any State, the District of Columbia, or any Territory or possession of the United States and any other State, Territory, or possession of the United States.

"Maritime employer."  
44 Stat. 577.  
46 U. S. C. § 151.

"(b) The term 'maritime employer' means any person not included in the term 'carrier' in title I of the Railway Labor Act, approved May 20, 1926, as amended, who (1) is engaged in the transportation by water of passengers or property in water-borne commerce; (2) is engaged in towboat, barge, or lighterage service in connection with the transportation of passengers or property in water-borne commerce; (3) operates or manages or controls the operation or management of any wharf, pier, dock, or water space, for the accommodation of vessels engaged in the transportation of passengers or property in water-borne commerce; (4) is engaged in the business of loading or unloading vessels engaged in the transportation of passengers or property in water-borne commerce; or (5) operates any equipment or facility connected with the services set forth in clauses (1), (2), (3), and (4) hereof, which is necessary for the continuity of flow of passengers and property in such water-borne commerce.

"Employee."

"(c) The term 'employee' means any person who performs any work as an employee or subordinate official of any maritime employer, subject to its authority to supervise and direct the manner of rendition of service, when the duties assigned to or services rendered by such person directly or indirectly in any manner affect, relate to, or are concerned with the transportation of passengers or property in water-borne commerce, or the furnishing of equipment or facilities therefor, or services in connection therewith, as set forth in clauses (2), (3), (4), and (5) of subsection (b) of this section; it being intended that this title should apply not only to those persons whose work may be exclusively in connection with the movement by water of passengers and property in the interstate and foreign commerce of the United States but also to those persons whose work may have such a close relation to the movement of such interstate and foreign commerce that the provisions of this title are essential and appropriate to secure the freedom of that commerce from interference and interruption. The provisions of this title shall not apply to the master or members of the crew of any vessel not documented, registered, licensed, or enrolled under the laws of the United States.

Exceptions.

#### "DUTIES OF EMPLOYER AND EMPLOYEE

Duties of employer and employee.

"SEC. 1004. It shall be the duty of the Board to encourage all maritime employers, their officers and agents, and their employees or the duly selected representatives of such employees to exert every reasonable effort—

Agreements concerning rates of pay, hours of employment, etc.

"(1) to make and maintain written agreements concerning rates of pay, hours of employment, rules, and working conditions, which agreements shall provide, by means of adjustment boards or port

committees, for the final adjustment of disputes growing out of grievances or the application or interpretation of the terms of such agreements;

“(2) to settle all disputes, whether arising out of the interpretation or application of such agreements or otherwise, in order to avoid any interruptions to transportation of passengers or property in water-borne commerce.

Settlement of disputes.

“SEC. 1005. Within thirty days after the date of enactment of this title, every maritime employer shall file with the Maritime Labor Board a copy of each contract with any group of its employees in effect on such date, covering rates of pay, hours of employment, rules, and working conditions. When any new contract is executed or any change is made in an existing contract with any group of its employees covering rates of pay, hours of employment, rules, or working conditions, any maritime employer shall file a copy of such contract, or a statement setting forth such change, with the Maritime Labor Board within ten days after such new contract has been executed, or such change has been made. Any maritime employer who willfully fails to file any copy of a contract or statement as required by this section shall be subject to a fine of not more than \$100 for each offense.

Maritime employer to file copy of each contract with any employee group.

New contracts.

Penalty for failure to file.

“SEC. 1006. All matters relating to the making and maintaining of agreements, and all disputes, between a maritime employer or employers and its or their employees shall be considered and, if possible, adjusted with all expedition, in conference between representatives designated and authorized by the maritime employer or employers and by its or their employees, respectively. It shall be the duty of the designated representatives of maritime employers, within five days after the receipt of notice of a desire on the part of either party to confer in regard to such matters and disputes, to specify a time and place at which such conference shall be held, and the Board shall notify the representatives of the employees thereof. The place so specified shall be reasonably accessible to both parties; and the time so specified shall allow the designated conferees reasonable opportunity to reach such place of conference, but shall not exceed ten days from the receipt of such notice. Nothing in this title shall be construed to supersede the provisions of any agreement as to conferences in effect between the parties.

Expediting making of agreements, settlement of disputes, etc.

#### “MARITIME LABOR BOARD

“SEC. 1007. (a) There is hereby established as an independent agency in the executive branch of the Government a board to be known as the ‘Maritime Labor Board’ (hereinafter referred to as the ‘Board’) to be composed of three members appointed by the President, by and with the advice and consent of the Senate. The President shall name one of the members of the Board as Chairman. The terms of office of the members of the Board shall extend to the date of expiration of this title. Vacancies in the Board shall not impair the powers nor affect the duties of the Board nor of the remaining members of the Board. Two of the members in office shall constitute a quorum for the transaction of the business of the Board. Each member of the Board shall receive a salary at the rate of \$10,000 per annum, together with necessary traveling and subsistence expenses, or per diem allowance in lieu thereof, subject to the provisions of law applicable thereto, while away from the principal office of the Board on business required by this title. No person in the employment of, or who is pecuniarily or otherwise interested in, any organization of maritime employees or any maritime employer shall enter upon the duties of, or continue to be, a member of the Board. A member of the

Maritime Labor Board.

Establishment, as independent agency.

Composition, appointment, terms, etc.

Vacancies, quorum, salaries, and allowances.

Restriction on membership.

Removals.

Principal, etc., of-  
fice.

Rules and regula-  
tions.

Seal.

Experts, and other  
personal services.

5 U. S. C. §§ 661-674;  
Supp. III, §§ 673, 673c.

Contingent ex-  
penses.

Printing and bind-  
ing.

Assignment of work,  
business, or functions.

Board may be removed by the President for inefficiency, neglect of duty, malfeasance in office, or ineligibility, but for no other cause.

"(b) The Board shall maintain its principal office in the District of Columbia, but it may meet at any other place whenever it deems it necessary to do so. The Board is hereby authorized to adopt all necessary rules and regulations to carry out the powers, duties, and functions vested in it by this title. The Board shall have a seal which shall be judicially noticed.

"(c) The Board may (1) appoint such experts and assistants to act in a confidential capacity and, subject to the provisions of the civil-service laws, appoint such other officers and employees, as are essential to the effective transaction of the work of the Board; (2) in accordance with the Classification Act of 1923, as amended, fix the salaries of such experts, assistants, officers, and employees; and (3) make such expenditures (including expenditures for rent and personal services at the seat of government and elsewhere, for law books, periodicals, and books of reference, and for printing and binding, and including expenditures for salaries and compensation, necessary traveling expenses and expenses actually incurred for subsistence, and other necessary expenses of the Board) as may be necessary for the execution of the functions vested in the Board, and as may be provided for by the Congress from time to time. All expenditures of the Board shall be allowed and paid on the presentation of itemized vouchers therefor approved by the chairman or by any employee of the Board designated by the chairman for that purpose.

"(d) The Board is hereby authorized by its order to assign, or refer, any portion of its work, business, or functions to an individual member of the Board, or an employee or employees of the Board, to be designated by such order, for action thereon; and by its order at any time to amend, modify, supplement, or rescind any such assignment or reference. All such orders shall take effect forthwith and remain in effect until otherwise ordered by the Board. In conformity with and subject to the order or orders of the Board in the premises, any such individual member of the Board or employee designated shall have power and authority to act as to any of said work, business, or functions so assigned or referred to him for action by the Board.

#### "MEDIATION

Mediation.

"SEC. 1008. (a) It shall be the duty of the Board, upon request of either the duly selected representatives of a maritime employer or employers or its or their employees who are parties to the making of a labor agreement, to encourage and assist in the making of such agreement, or, upon the request of both parties at interest, to assist in the interpretation of the provisions of an agreement already in existence.

"(b) The parties to a dispute between an employee or a group of employees and a maritime employer or group of maritime employers, may request the Board to act as mediator in such disagreements. The Board may proffer its services in case any maritime labor dispute is found by it to exist at any time. When a request for mediation is granted by the Board, or when the Board on its own initiative proffers such mediation, the Board shall promptly put itself in communication with the parties to such dispute and shall use its best efforts by mediation to bring them to agreement.

#### "ARBITRATION

Arbitration.

"SEC. 1009. If the Board should be unable through mediation to bring the parties to a dispute to agreement in whole or in part, it shall, as its last required action, use its best efforts to secure the assent of both parties to arbitration of the matter or matters in dispute.

"PERMANENT LABOR POLICY

"SEC. 1010. On or before March 1, 1940, the Board shall submit to the President and to Congress a comprehensive plan for the establishment of a permanent Federal policy for the amicable adjustment of all disputes between maritime employers and employees and for the stabilization of maritime labor relations. As far as may be, the Board shall seek to secure through its mediatory efforts agreement between maritime employers and employees upon the plan it is hereby required to submit.

Permanent labor policy.

Submission of plan for establishment to President and Congress.

"AUTHORIZATION

"SEC. 1011. There is hereby authorized to be appropriated such sums as may be necessary for expenditure by the Board in carrying out the provisions of this title.

Appropriations authorized  
*Post*, p. 1117.

"SEC. 1012. This title shall expire at the end of three years from the date of its enactment."

Duration of title.

SEC. 46. The Merchant Marine Act, 1936, is amended by adding at the end thereof a new title to read as follows:

49 Stat. 2017.  
46 U. S. C., Supp. III, ch. 27.

"TITLE XI—FEDERAL SHIP MORTGAGE INSURANCE

"SEC. 1101. As used in this title—

"(a) The term 'mortgage' means a preferred mortgage as defined in the Ship Mortgage Act, 1920, as amended;

"(b) The term 'vessels' includes all types of passenger, cargo, and combination passenger-cargo carrying vessels, tugs, towboats, barges, and dredges documented under the laws of the United States, and fishing vessels owned by citizens of the United States;

"(c) The term 'mortgagee' includes the original lender under a mortgage and his successors and assigns approved by the Commission;

"(d) The term 'mortgagor' includes the original borrower under a mortgage and his successors and assigns approved by the Commission; and

"(e) The term 'maturity date' means the date on which the mortgage indebtedness would be extinguished if paid in accordance with periodic payments provided for in the mortgage.

"SEC. 1102. There is hereby created a Federal ship mortgage insurance fund (hereinafter referred to as the 'fund') which shall be used by the Commission as a revolving fund for the purpose of carrying out the provisions of this title, and there shall be allocated to such fund the sum of \$1,000,000 out of funds made available to the Commission under the appropriation authorized by section 1109. Moneys in the fund shall be deposited in the Treasury of the United States to the credit of the fund or invested in bonds or other obligations of, or guaranteed as to principal and interest by, the United States. The Commission may, with the approval of the Secretary of the Treasury, purchase debentures issued under the provisions of section 1105. Such purchases shall be made at a price which, on a yield basis, would provide an investment yield of not less than the yield obtainable from other investments (having comparable maturity dates) authorized by this section. Debentures so purchased shall be canceled and not reissued.

"SEC. 1103. The Commission is authorized, upon application by the mortgagee, to insure as hereinafter provided any mortgage offered to it which is eligible for insurance as hereinafter provided and, upon such terms as the Commission may prescribe, to make commitments for the insuring of any such mortgage prior to the date of execution or disbursement thereon. The aggregate amount of prin-

Title XI—Federal Ship Mortgage Insurance.

Definitions.  
"Mortgage."  
41 Stat. 1000.  
46 U. S. C. § 911;  
Supp. III, § 922.  
"Vessels."

"Mortgagee."

"Mortgagor."

"Maturity date."

Federal ship mortgage insurance fund created.  
*Post*, p. 1119.

Sum allocated.

*Post*, p. 973.

Purchase of debentures.

Insurance of mortgages.



Maximum out-  
standing principal ob-  
ligations.

Eligibility require-  
ments.  
*Post*, p. 972.

principal obligations of all mortgages insured under this title and out-  
standing at any one time shall not exceed \$200,000,000.

"SEC. 1104. (a) To be eligible for insurance under this title a  
mortgage shall, excepting as otherwise provided in section 1106—

"(1) have a mortgagee approved by the Commission as respon-  
sible and able to service the mortgage properly; and a mortgagor  
approved by the Commission as possessing the ability, experi-  
ence, financial resources, and other qualifications necessary to the  
adequate operation and maintenance of the mortgaged property;

"(2) involve an obligation in a principal amount which does  
not exceed 75 per centum of the cost (as estimated by the Com-  
mission) of the construction, reconstruction, or reconditioning  
financed by the loan or advance, but in no event to exceed 75  
per centum of the amount which the Commission estimates will  
be the value of the property when the construction, reconstruc-  
tion, or reconditioning is completed;

"(3) secure an obligation having a maturity date satisfactory  
to the Commission but not to exceed twenty years from the date  
of its execution;

"(4) contain amortization provisions satisfactory to the Com-  
mission requiring periodic payments by the mortgagor;

"(5) secure an obligation bearing interest (exclusive of pre-  
mium charges for insurance) at a rate not to exceed 5 per centum  
per annum on the amount of the principal obligation outstand-  
ing at any time or not to exceed 6 per centum per annum if the  
Commission finds that in certain areas or under special circum-  
stances the mortgage market demands it;

"(6) provide, in a manner satisfactory to the Commission, for  
the application of the mortgagor's periodic payments to amor-  
tization of the principal of the mortgage, exclusive of the amount  
allocated to interest and to the premium charge which is required  
for mortgage insurance as hereinafter provided;

"(7) contain such terms and provisions with respect to the  
construction, reconstruction, reconditioning, maintenance, or  
operation of the property, repairs, alterations, payment of taxes,  
insurance, delinquency charges, revisions, foreclosure proceed-  
ings, anticipation of maturity, additional and secondary liens,  
and other matters pertinent to the security as the Commission  
may prescribe; and

"(8) secure a new loan or advance made to aid in financing  
the construction, reconstruction, or reconditioning, subsequent to  
the enactment of this title, of vessels owned by citizens of the  
United States which are designed principally for commercial  
use (a) in the coastwise or intercoastal trade; (b) on the Great  
Lakes, or on bays, sounds, rivers, harbors, or inland lakes of the  
United States; or (c) in foreign trade between the United States  
and foreign countries in continental North America, and between  
the United States and all islands lying between the continent  
of South America and the United States in the Gulf of Mexico,  
the Caribbean Sea, or the Atlantic Ocean.

"(b) No mortgage shall be accepted for insurance unless the Com-  
mission finds that the property or project with respect to which the  
mortgage is executed is economically sound.

"(c) The Commission is authorized to fix a premium charge for  
the insurance of mortgages under this title, but in the case of any  
mortgage such charge shall not be less than an amount equivalent to  
one-half of 1 per centum per annum nor more than an amount equiva-  
lent to 1 per centum per annum of the amount of the principal obli-  
gation of the mortgage outstanding at any time, without taking into  
account delinquent payments or prepayments. All such premium

Economic sound-  
ness of property, etc.

Premium charge for  
insurance.

charges shall be payable by the mortgagee as prescribed by the Commission. In the event that the principal obligation of any mortgage accepted for insurance under this section is paid in full prior to the maturity date, the Commission is further authorized in its discretion to require the payment by the mortgagee of an adjusted premium charge in such amount as the Commission determines to be equitable, but not in excess of the aggregate amount of the premium charges that the mortgagee would otherwise have been required to pay if the mortgage had continued to be insured under this section until such maturity date.

“(d) The Commission is authorized to charge and collect such amounts as it may deem reasonable for the investigation of applications for insurance, for the appraisal of properties offered for insurance, for the issuance of commitments, and for the inspection of such properties during construction, reconstruction, or reconditioning: *Provided*, That such charges shall not aggregate more than one-half of 1 per centum of the original principal amount of the mortgage to be insured. All moneys received under the provisions of this title shall be deposited in the fund.

“SEC. 1105. (a) In any case in which the mortgagee under an insured mortgage shall have foreclosed and acquired title and possession of the mortgaged property in accordance with regulations of, and within a period to be determined by, the Commission, or shall, with the consent of the Commission, have otherwise acquired such property from the mortgagor after default, the mortgagee shall be entitled to receive the benefits of the insurance as hereinafter provided, upon (1) the prompt conveyance to the Commission of title to the property which meets the requirements of rules and regulations of the Commission in force at the time the mortgage was insured, and which is evidenced in the manner prescribed by such rules and regulations, and (2) the assignment to the Commission of all claims of the mortgagee against the mortgagor or others, arising out of the mortgage transaction or foreclosure proceedings, except such claims as may have been released with the consent of the Commission. Upon such conveyance and assignment the obligation of the mortgagee to pay the premium charges for insurance shall cease and the Commission shall, subject to the cash adjustment hereinafter provided, issue to the mortgagee debentures having a total face value equal to the balance of the principal obligation of the mortgage which was unpaid on the date of the institution of foreclosure proceedings, or on the date of the acquisition of the property after default other than by foreclosure. In the event that the mortgagee acquires the property other than by purchase at foreclosure sale after foreclosure proceedings have been instituted, debentures having a total face value equal to the balance of the principal obligation of the mortgage which was unpaid on the date of the institution of foreclosure proceedings shall be issued to the mortgagee.

“(b) Debentures issued under this section shall be in such form and denominations in multiples of \$50, shall be subject to such terms and conditions, and shall include such provisions for redemption, if any, as may be prescribed by the Commission with the approval of the Secretary of the Treasury, and may be in coupon or registered form. Any difference between the value of the mortgage determined as herein provided and the aggregate face value of the debentures issued, not to exceed \$50, shall be adjusted by the payment of cash by the Commission to the mortgagee from the fund.

“(c) The debentures issued under this section shall be executed in the name of the fund as obligor, shall be signed by the Chairman of the Commission by either his written or engraved signature, and shall be negotiable. All such debentures shall be dated as of the date

Investigation of applications, etc.; charges.

*Proviso.*  
Limitation.

Benefits of insurance to mortgagee upon foreclosure.

Conditions.

Premium charges to cease.

Issue of debentures to mortgagee.

If property acquired other than by purchase at foreclosure sale.

Issuance of debentures.

Execution, negotiability, date, interest, maturity, etc.

Tax exemption.	foreclosure proceedings were instituted, or the property was otherwise acquired by the mortgagee after default, and shall bear interest from such date at a rate determined by the Commission, with the approval of the Secretary of the Treasury, at the time the mortgage was offered for insurance, but not to exceed 3 per centum per annum, payable semiannually on the 1st day of January and the 1st day of July of each year, and shall mature three years after the 1st day of July following the maturity date of the mortgage on the property in exchange for which the debentures were issued. They shall be exempt, both as to principal and interest, from all taxation (except surtaxes, estate, inheritance, and gift taxes) now or hereafter imposed by the United States, by any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority. They shall be paid out of the fund, which shall be primarily liable therefor, and they shall be fully and unconditionally guaranteed as to principal and interest by the United States, and such guaranty shall be expressed on the face of the debentures. In the event that the fund fails to pay upon demand, when due, the principal of, or interest on, any debentures so guaranteed, the Secretary of the Treasury shall pay to the holders the amount thereof, which is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated, and thereupon to the extent of the amount so paid the Secretary of the Treasury shall succeed to all the rights of the holders of such debentures.
Payment.	
Procedure if fund fails to pay.	
Authority of Commission in business transactions.	
Retroactive provisions.	
Where substantial portion of new mortgage is applied to new construction, improvements, etc. <i>Provided.</i> Limitation on aggregate amount.	
Additional reconditioning, etc., loans.	
Insurance of mortgages to finance purchases, etc.	

“(d) Notwithstanding any other provision of law relating to the acquisition, handling, or disposal of property by the United States, the Commission shall have the right to complete, recondition, reconstruct, renovate, repair, maintain, operate, or charter, or sell for cash or credit, in its discretion, any properties conveyed to it in exchange for debentures as provided in this section; and notwithstanding any other provision of law, the Commission shall also have power to pursue to final collection, by way of compromise or otherwise, all claims against mortgagors assigned by mortgagees to the Commission as provided in this section.

“SEC. 1106. No provision of this title shall be construed to authorize the Commission to insure a mortgage securing any loan or advance made prior to the enactment of this title and no mortgage shall be insured for refinancing in whole or in part any existing mortgage indebtedness except—

“(1) where a substantial portion of the total amount to be secured by the new mortgage shall be applied to new construction, reconditioning, or reconstruction of one or more of the mortgaged vessels: *Provided, however,* That the aggregate amount of all mortgages insured under this paragraph and outstanding at any one time shall not exceed \$20,000,000, and provided that all of the eligibility requirements of section 1104 not inconsistent with this paragraph are complied with;

“(2) where the Commission has insured a mortgage under the provisions of this title, and the mortgagor thereafter makes application to the mortgagee or another lender for an additional loan or advance for reconditioning or reconstructing the mortgaged property, the Commission may insure a new mortgage in the amount of the principal outstanding balance of the original mortgage plus the amount of the new loan, provided the total amount is within the limits of section 1104 and the new mortgage conforms to all other eligibility requirements thereof; and

“(3) the Commission may insure mortgages given to finance the purchase of vessels theretofore acquired by the fund under the provisions of section 1105 and to secure loans or advances made for reconditioning and reconstruction of such vessels.

"SEC. 1107. Whoever, for the purpose of obtaining any loan or advance of credit from any person, partnership, association, or corporation with the intent that such loan or advance of credit shall be offered to or accepted by the Commission for insurance, or for the purpose of obtaining any extension or renewal of any loan, advance of credit, or mortgage insured by the said Commission, or the acceptance, release, or substitution of any security on such a loan, advance of credit, or for the purpose of influencing in any way the action of the said Commission under this title, makes, passes, utters, or publishes, or causes to be made, passed, uttered, or published any statement, knowing the same to be false, or alters, forges, or counterfeits, or causes or procures to be altered, forged, or counterfeited, any instrument, paper, or document, or utters, publishes, or passes as true, or causes to be uttered, published, or passed as true, any instrument, paper, or document, knowing it to have been altered, forged, or counterfeited, or willfully overvalues any security, asset, or income, shall be guilty of a misdemeanor and punished as provided under section 806 (b) of this Act.

"SEC. 1108. The Commission is authorized and directed to make such rules and regulations as may be deemed necessary or appropriate to carry out the purposes and provisions of this title.

"SEC. 1109. There is hereby authorized to be appropriated the sum of \$1,000,000 and such further sums as may be necessary to carry out the provisions of this title."

Approved, June 23, 1938.

Misrepresentations.

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49 Stat. 2014.

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## [CHAPTER 601]

### AN ACT

To create a Civil Aeronautics Authority, and to promote the development and safety and to provide for the regulation of civil aeronautics.

June 23, 1938  
[S. 3845]  
[Public, No. 706]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act, divided into titles and sections according to the following table of contents, may be cited as the "Civil Aeronautics Act of 1938":*

Civil Aeronautics Act of 1938.

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#### TITLE I—GENERAL PROVISIONS

Title I—General Provisions.

##### DEFINITIONS

SECTION 1. As used in this Act, unless the context otherwise requires—

Definitions.

(1) "Aeronautics" means the science and art of flight.

"Aeronautics."

(2) "Air carrier" means any citizen of the United States who undertakes, whether directly or indirectly or by a lease or any other arrangement, to engage in air transportation: *Provided*, That the Authority may by order relieve air carriers who are not directly engaged in the operation of aircraft in air transportation from the provisions of this Act to the extent and for such periods as may be in the public interest.

"Air carrier."

*Proviso.*  
Exemptions.

(3) "Air commerce" means interstate, overseas, or foreign air commerce or the transportation of mail by aircraft or any operation or navigation of aircraft within the limits of any civil airway or any operation or navigation of aircraft which directly affects, or which may endanger safety in, interstate, overseas, or foreign air commerce.

"Air commerce."

(4) "Aircraft" means any contrivance now known or hereafter invented, used, or designed for navigation of or flight in the air.

"Aircraft."

(5) "Aircraft engine" means an engine used, or intended to be used, for propulsion of aircraft and includes all parts, appurtenances, and accessories thereof other than propellers.

"Aircraft engine."

(6) "Airman" means any individual who engages, as the person in command or as pilot, mechanic, or member of the crew, in the navigation of aircraft while under way; and (except to the extent the Authority may otherwise provide with respect to individuals employed outside the United States) any individual who is directly in charge of the inspection, maintenance, overhauling, or repair of aircraft, aircraft engines, propellers, or appliances; and any individual who serves in the capacity of aircraft dispatcher or air-traffic control-tower operator.

"Airman."

(7) "Air navigation facility" means any facility used in, available for use in, or designed for use in, aid of air navigation, including landing areas, lights, any apparatus or equipment for disseminating weather information, for signaling, for radio-directional finding, or for radio or other electrical communication, and any other structure or mechanism having a similar purpose for guiding or controlling flight in the air or the landing and take-off of aircraft.

"Air navigation facility."

(8) "Airport" means a landing area used regularly by aircraft for receiving or discharging passengers or cargo.

"Airport."



"Air-space reservation."

(9) "Air-space reservation" means air space, identified by an area on the surface of the earth, in which the flight of aircraft is prohibited or restricted.

"Air transportation."

(10) "Air transportation" means interstate, overseas, or foreign air transportation or the transportation of mail by aircraft.

"Appliances."

(11) "Appliances" means instruments, equipment, apparatus, parts, appurtenances, or accessories, of whatever description, which are used, or are capable of being or intended to be used, in the navigation, operation, or control of aircraft in flight (including parachutes and including communication equipment and any other mechanism or mechanisms installed in or attached to aircraft during flight), and which are not a part or parts of aircraft, aircraft engines, or propellers.

"Authority."

(12) "Authority" means the Civil Aeronautics Authority.

"Citizen of the United States."

(13) "Citizen of the United States" means (a) an individual who is a citizen of the United States or of one of its possessions, or (b) a partnership of which each member is such an individual, or (c) a corporation or association created or organized under the laws of the United States or of any State, Territory, or possession of the United States, of which the president and two-thirds or more of the board of directors and other managing officers thereof are such individuals and in which at least 75 per centum of the voting interest is owned or controlled by persons who are citizens of the United States or of one of its possessions.

"Civil aircraft."

(14) "Civil aircraft" means any aircraft other than a public aircraft.

"Civil aircraft of the United States."

(15) "Civil aircraft of the United States" means any aircraft registered as provided in this Act.

"Civil airway."

(16) "Civil airway" means a path through the navigable air space of the United States, identified by an area on the surface of the earth, designated or approved by the Administrator as suitable for interstate, overseas, or foreign air commerce.

"Conditional sale."

(17) "Conditional sale" means (a) any contract for the sale of an aircraft or portion thereof under which possession is delivered to the buyer and the property is to vest in the buyer at a subsequent time upon the payment of part or all of the price, or upon the performance of any other condition or the happening of any contingency; or (b) any contract for the bailment or leasing of an aircraft or portion thereof by which the bailee or lessee contracts to pay as compensation a sum substantially equivalent to the value thereof, and by which it is agreed that the bailee or lessee is bound to become, or has the option of becoming, the owner thereof upon full compliance with the terms of the contract. The buyer, bailee, or lessee shall be deemed to be the person by whom any such contract is made or given.

"Conveyance."

(18) "Conveyance" means a bill of sale, contract of conditional sale, mortgage, assignment of mortgage, or other instrument affecting title to, or interest in, property.

"Foreign air carrier."

(19) "Foreign air carrier" means any person, not a citizen of the United States, who undertakes, whether directly or indirectly or by a lease or any other arrangement, to engage in foreign air transportation.

"Interstate air commerce"; "overseas air commerce"; "foreign air commerce."

(20) "Interstate air commerce", "overseas air commerce", and "foreign air commerce", respectively, mean the carriage by aircraft of persons or property for compensation or hire, or the carriage of mail by aircraft, or the operation or navigation of aircraft in the conduct or furtherance of a business or vocation, in commerce between, respectively—

(a) a place in any State of the United States, or the District of Columbia, and a place in any other State of the United States, or the District of Columbia; or between places in the same State of

the United States through the air space over any place outside thereof; or between places in the same Territory or possession (except the Philippine Islands) of the United States, or the District of Columbia;

(b) a place in any State of the United States, or the District of Columbia, and any place in a Territory or possession of the United States; or between a place in a Territory or possession of the United States, and a place in any other Territory or possession of the United States; and

(c) a place in the United States and any place outside thereof, whether such commerce moves wholly by aircraft or partly by aircraft and partly by other forms of transportation.

(21) "Interstate air transportation", "overseas air transportation", and "foreign air transportation", respectively, mean the carriage by aircraft of persons or property as a common carrier for compensation or hire or the carriage of mail by aircraft, in commerce between, respectively—

"Interstate air transportation"; "overseas air transportation"; "foreign air transportation."

(a) a place in any State of the United States, or the District of Columbia, and a place in any other State of the United States, or the District of Columbia; or between places in the same State of the United States through the air space over any place outside thereof; or between places in the same Territory or possession (except the Philippine Islands) of the United States, or the District of Columbia;

(b) a place in any State of the United States, or the District of Columbia, and any place in a Territory or possession of the United States; or between a place in a Territory or possession of the United States, and a place in any other Territory or possession of the United States; and

(c) a place in the United States and any place outside thereof, whether such commerce moves wholly by aircraft or partly by aircraft and partly by other forms of transportation.

(22) "Landing area" means any locality, either of land or water, including airports and intermediate landing fields, which is used, or intended to be used, for the landing and take-off of aircraft, whether or not facilities are provided for the shelter, servicing, or repair of aircraft, or for receiving or discharging passengers or cargo.

"Landing area."

(23) "Mail" means United States mail and foreign-transit mail.

"Mail."

(24) "Navigable air space" means air space above the minimum altitudes of flight prescribed by regulations issued under this Act.

"Navigable air space."

(25) "Navigation of aircraft" or "navigate aircraft" includes the piloting of aircraft.

"Navigation of aircraft" or "navigate aircraft."

(26) "Operation of aircraft" or "operate aircraft" means the use of aircraft, for the purpose of air navigation and includes the navigation of aircraft. Any person who causes or authorizes the operation of aircraft, whether with or without the right of legal control (in the capacity of owner, lessee, or otherwise) of the aircraft, shall be deemed to be engaged in the operation of aircraft within the meaning of this Act.

"Operation of aircraft" or "operate aircraft."

(27) "Person" means any individual, firm, copartnership, corporation, company, association, joint-stock association, or body politic; and includes any trustee, receiver, assignee, or other similar representative thereof.

"Person."

(28) "Propeller" includes all parts, appurtenances, and accessories thereof.

"Propeller."

(29) "Possessions of the United States" means (a) Puerto Rico, notwithstanding the provisions of the Act of March 2, 1917, entitled "An Act to provide a civil government for Porto Rico", and any other Act or Acts which are inconsistent with the provisions of this Act;

"Possessions of the United States."

(b) the Canal Zone, but nothing herein shall impair or affect the jurisdiction which has heretofore been, or may hereafter be, granted to the President in respect of air navigation in the Canal Zone; (c) the Philippine Islands, except that the operation of civil aircraft within the jurisdiction of the Philippine Islands shall be governed by laws enacted by the legislature of the islands and by executive regulations designating air-space reservations or other prohibited areas; and (d) all other possessions of the United States.

"Public aircraft."

(30) "Public aircraft" means an aircraft used exclusively in the service of any government or of any political subdivision thereof, including the government of any State, Territory, or possession of the United States, or the District of Columbia, but not including any government-owned aircraft engaged in carrying persons or property for commercial purposes.

"United States."

(31) "United States" means the several States, the District of Columbia, and the several Territories and possessions of the United States, including the Territorial waters and the overlying air space thereof.

#### DECLARATION OF POLICY

Declaration of policy.

SEC. 2. In the exercise and performance of its powers and duties under this Act, the Authority shall consider the following, among other things, as being in the public interest, and in accordance with the public convenience and necessity—

(a) The encouragement and development of an air-transportation system properly adapted to the present and future needs of the foreign and domestic commerce of the United States, of the Postal Service, and of the national defense;

(b) The regulation of air transportation in such manner as to recognize and preserve the inherent advantages of, assure the highest degree of safety in, and foster sound economic conditions in, such transportation, and to improve the relations between, and coordinate transportation by, air carriers;

(c) The promotion of adequate, economical, and efficient service by air carriers at reasonable charges, without unjust discriminations, undue preferences or advantages, or unfair or destructive competitive practices;

(d) Competition to the extent necessary to assure the sound development of an air-transportation system properly adapted to the needs of the foreign and domestic commerce of the United States, of the Postal Service, and of the national defense;

(e) The regulation of air commerce in such manner as to best promote its development and safety; and

(f) The encouragement and development of civil aeronautics.

#### PUBLIC RIGHT OF TRANSIT

Public right of transit.

SEC. 3. There is hereby recognized and declared to exist in behalf of any citizen of the United States a public right of freedom of transit in air commerce through the navigable air space of the United States.

Title II—Organization of Authority.

### TITLE II—ORGANIZATION OF AUTHORITY

Creation.

#### CREATION OF AUTHORITY

Appointment of members.  
Composition, terms of office, etc.

#### Appointment of Members of Authority

SEC. 201. (a) An agency is created and established to be known as the "Civil Aeronautics Authority" which shall be composed of five members who shall be appointed by the President, by and with

the advice and consent of the Senate, as soon as practicable after the passage of this Act, and who shall continue in office as designated by the President at the time of nomination through the last day of the second, third, fourth, fifth, and sixth calendar years, respectively, following the passage of this Act. The President shall designate annually one of the members of the Authority as chairman and one of the members as vice chairman who shall act as chairman in the absence or incapacity of the chairman. The successors of the members shall be appointed for terms of six years in the same manner as the members originally appointed under this Act, except that any person appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. The members of the Authority may be removed by the President for inefficiency, neglect of duty, or malfeasance in office. No more than three of the members shall be appointed from the same political party. Each member of the Authority shall receive a salary at the rate of \$12,000 per annum.

Removals.

Salary.

#### Administrator

(b) There shall be in the Authority an Administrator who shall be appointed by the President by and with the advice and consent of the Senate, and who shall receive a salary at the rate of \$12,000 per annum.

Administrator.

#### Qualifications of Members

(c) The members of the Authority shall be appointed with due regard to their fitness for the efficient dispatch of the powers and duties vested in and imposed upon the Authority by this Act. Each member of the Authority, and the Administrator, shall be a citizen of the United States, and no member of the Authority, or the Administrator, shall have any pecuniary interest in or own any stock in or bonds of any civil aeronautics enterprise. No member of the Authority, or the Administrator, shall engage in any other business, vocation, or employment.

Qualifications of members.

#### Quorum, Principal Office, and Seal

(d) Three of the members shall constitute a quorum of the Authority. The principal office of the Authority shall be in the District of Columbia where its general sessions shall be held, but whenever the convenience of the public or of the parties may be promoted, or delay or expense may be prevented, the Authority may hold hearings or other proceedings at any other place. The Authority shall have an official seal which shall be judicially noticed and which shall be preserved in the custody of the secretary of the Authority.

Quorum, principal office, and seal.

#### ORGANIZATION OF AUTHORITY

Organization of Authority.

#### Officers and Employees

SEC. 202. (a) The Authority shall, without regard to the civil-service laws, appoint and prescribe the duties of a secretary of the Authority and a secretary for each member, and, subject to such noncompetitive tests of fitness as the Civil Service Commission may prescribe, appoint and prescribe the duties of a general counsel, a director for each Bureau, and such assistant directors and heads of divisions or sections as may be necessary. Subject to the provisions of the civil-service laws, the Authority shall employ such other officers and employees as it shall deem necessary in exercising and performing its powers and duties. The Administrator shall, without regard to the civil-service laws, appoint and prescribe the duties of a secretary,

Officers and employees.

5 U. S. C. §§ 661-674;  
Supp. III, §§ 673, 673c.

and, subject to the civil-service laws, appoint and prescribe the duties of such other officers and employees as he shall deem necessary in exercising and performing his powers and duties. The compensation of all officers and employees appointed by the Authority or by the Administrator under this subsection shall be fixed in accordance with the Classification Act of 1923, as amended.

#### Temporary Personnel

Temporary personnel.

(b) The Authority, and the Administrator, may, from time to time, without regard to the provisions of the civil-service laws, engage for temporary service such duly qualified consulting engineers or agencies, or other qualified persons as are necessary in the exercise and performance of the powers and duties of each, and fix the compensation of such engineers, agencies, or persons without regard to the Classification Act of 1923, as amended, and the expenses of such employment shall be paid out of the appropriation for the administration of this Act.

Personnel, property, and appropriations.

#### PERSONNEL, PROPERTY, AND APPROPRIATIONS

#### Personnel and Property

Personnel and property, transfers.

44 Stat. 568.  
49 U. S. C. §§  
171-184.

48 Stat. 933; 49 Stat.  
614.  
39 U. S. C. §§ 463,  
469-469s; Supp. III,  
ch. 13.

*Provisos.*  
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44 Stat. 568.  
49 U. S. C. §§ 171-  
184.

SEC. 203. (a) Such officers and employees of the Bureau of Air Mail of the Interstate Commerce Commission and of the Bureau of Air Commerce of the Department of Commerce, and such property (including office equipment and official records), as the President shall determine to have been employed by the Secretary of Commerce in the exercise and performance of the powers and duties vested in and imposed upon him by the Air Commerce Act of 1926, as amended (44 Stat. 568; U. S. C., 1934 ed., title 49, sec. 171 et seq.), and by the Secretary of Commerce and the Interstate Commerce Commission in the exercise and performance of the powers and duties vested in and imposed upon them by the Air Mail Act of 1934, approved June 12, 1934, as amended (48 Stat. 933; U. S. C., 1934 ed., Supp. II, title 39, sec. 469 et seq.), are transferred to the Authority upon such date or dates as the President shall specify by Executive order: *Provided*, That the transfer of such personnel shall be without reduction in classification or compensation, except that this requirement shall not operate after the end of the fiscal year during which such transfer is made to prevent the adjustment of classification or compensation to conform to the duties to which such transferred personnel may be assigned: *Provided further*, That such of the personnel so transferred as do not already possess a classified civil-service status shall not acquire such status by reason of such transfer except (1) upon recommendation of the Authority within one year after such personnel have been so transferred and certification within such period by the Authority to the Civil Service Commission that such personnel have served with merit for not less than six months prior to the transfer, and (2) upon passing such suitable noncompetitive examinations as the Civil Service Commission may prescribe: *And provided further*, That no officer or employee taking such examination shall be discharged or reduced in grade or compensation pending the result thereof, except for cause in the manner provided by law.

#### Appropriations

(b) Such of the unexpended balances of appropriations available for use by the Secretary of Commerce in the exercise and performance of the powers and duties vested in and imposed upon him by the Air Commerce Act of 1926, as amended, and by the Secretary of Com-

merce and the Interstate Commerce Commission in the exercise and performance of the powers and duties vested in and imposed upon them by the Air Mail Act of 1934, approved June 12, 1934, as amended, as the President shall deem necessary and specify by Executive order, are transferred to the Authority upon such date or dates as the President shall specify by Executive order, and shall be available for use in connection with the exercise and performance of the powers and duties vested in and imposed upon the Authority, the Administrator, and the Air Safety Board by this Act.

48 Stat. 933; 49 Stat. 614.  
39 U. S. C. §§ 463, 469-469s; Supp. III, ch. 13.

#### AUTHORIZATION OF EXPENDITURES AND TRAVEL

Authorization of expenditures and travel.

##### General Authority

General authority.

SEC. 204. (a) The Authority is empowered to make such expenditures at the seat of government and elsewhere as may be necessary for the exercise and performance of the powers and duties vested in and imposed upon the Authority, the Administrator, and the Air Safety Board by law, and as from time to time may be appropriated for by Congress, including expenditures for (1) rent and personal services at the seat of government and elsewhere; (2) travel expenses; (3) office furniture, equipment and supplies, lawbooks, newspapers, periodicals, and books of reference (including the exchange thereof); (4) printing and binding; (5) membership in and cooperation with such organizations as are related to, or are part of, the civil-aeronautics industry or the art of aeronautics in the United States or in any foreign country; (6) attendance at meetings and conventions when in the public interest; (7) making investigations and conducting studies in matters pertaining to aeronautics; and (8) acquisition (including exchange), operation, and maintenance of passenger-carrying automobiles and aircraft, and such other property as is necessary in the exercise and performance of the powers and duties of the Authority, the Administrator, and the Air Safety Board: *Provided*, That no aircraft or motor vehicle, purchased under the provisions of this section, shall be used otherwise than for official business. The Authority may include, among expenditures for travel, reasonable expenditures for transportation between airports and centers of population whether or not such transportation is incidental to travel by aircraft.

*proviso.*  
Aircraft, etc., use restricted.  
Transportation between airports, etc.

##### Purchase of Aircraft

(b) The Authority, within the limits of appropriations made available by Congress, may purchase and exchange modern aircraft, completely equipped in such manner that such aircraft can be used in testing and checking every phase of flight operation; and may purchase and exchange for the use of the Administrator and the Air Safety Board modern aircraft similar to aircraft used or suitable for use in air transportation, completely equipped in such manner that they can be used in testing and checking every phase of flight operation encountered in air transportation. The Authority is authorized to obtain necessary space, facilities, and personnel for the storage, maintenance, operation, and navigation of such aircraft.

Purchase of aircraft.

##### Travel

(c) Travel by personnel of the United States Government on commercial aircraft, domestic or foreign, including travel between airports and centers of population or posts of duty when incidental to travel on commercial aircraft, shall be allowed at public expense when

Travel.

authorized or approved by competent authority, and transportation requests for such travel may be issued upon such authorizations. Such expense shall be allowed without regard to comparative costs of transportation by aircraft with other modes of transportation.

General powers and duties of the Authority.

#### GENERAL POWERS AND DUTIES OF THE AUTHORITY

##### General Powers

General powers.

SEC. 205. (a) The Authority is empowered to perform such acts, to conduct such investigations, to issue and amend such orders, and to make and amend such general or special rules, regulations, and procedure, pursuant to and consistent with the provisions of this Act, as it shall deem necessary to carry out such provisions and to exercise and perform its powers and duties under this Act.

##### Cooperation With State Aeronautical Agencies

Cooperation with State aeronautical agencies.

(b) The Authority is empowered to confer with or to hold joint hearings with any State aeronautical agency, or other State agency, in connection with any matter arising under this Act, and to avail itself of the cooperation, services, records, and facilities of such State agencies as fully as may be practicable in the administration and enforcement of this Act.

##### Exchange of Information

Exchange of information.

(c) The Authority is empowered to exchange with foreign governments, through appropriate agencies of the United States, information pertaining to aeronautics.

##### Publications

Publications.

(d) Except as may be otherwise provided in this Act, the Authority shall make a report in writing in all proceedings and investigations under this Act in which formal hearings have been held, and shall state in such report its conclusions together with its decision, order, or requirement in the premises. All such reports shall be entered of record and a copy thereof shall be furnished to all parties to the proceeding or investigation. The Authority shall provide for the publication of such reports, and all other reports, orders, decisions, rules, and regulations issued by it under this Act in such form and manner as may be best adapted for public information and use. Publications purporting to be published by the Authority shall be competent evidence of the orders, decisions, rules, regulations, and reports of the Authority therein contained in all courts of the United States, and of the several States, Territories, and possessions thereof, and the District of Columbia, without further proof or authentication thereof.

#### ANNUAL REPORT

Annual report to Congress.

SEC. 206. The Authority shall make an annual report to the Congress, copies of which shall be distributed as are other reports transmitted to Congress. Such report shall contain in addition to a report of the work performed under this Act, such information and data collected by the Authority, the Administrator, and the Air Safety Board as may be considered of value in the determination of questions connected with the development and regulation of civil aeronautics, together with such recommendations as to additional legislation relating thereto as the Authority may deem necessary. The Authority may also transmit recommendations as to such additional legislation more frequently.

## TITLE III—POWERS AND DUTIES OF ADMINISTRATOR

Title III—Powers  
and Duties of Admin-  
istrator.

## FOSTERING OF AIR COMMERCE

SEC. 301. The Administrator is empowered and directed to encourage and foster the development of civil aeronautics and air commerce in the United States, and abroad, and to encourage the establishment of civil airways, landing areas, and other air navigation facilities. The Administrator and the Air Safety Board shall cooperate with the Authority in the administration and enforcement of this Act.

Fostering of air com-  
merce.

## CIVIL AIRWAYS AND FACILITIES

Civil airways and  
facilities.

## General

General.

SEC. 302. (a) The Administrator is empowered to designate and establish civil airways and, within the limits of available appropriations made by the Congress, (1) to acquire, establish, operate, and maintain along such airways all necessary air navigation facilities; (2) to chart such airways and arrange for the publication of maps of such airways, utilizing the facilities and assistance of existing agencies of the Government so far as practicable; (3) to acquire, establish, operate, and maintain, in whole or in part, air navigation facilities at and upon any municipally owned or other landing area approved for such installation, operation, or maintenance by the Administrator; and (4) to provide necessary facilities and personnel for the regulation and protection of air traffic moving in air commerce: *Provided*, That the Administrator shall not acquire any airport by purchase or condemnation. The Administrator is empowered to approve the establishment of such civil airways, not designated or established by the Administrator, as may be required in the interest of the public. No exclusive rights shall be granted for the use of any civil airway, landing area, or other air navigation facility.

Designation, estab-  
lishment, etc.Airways, navigation  
facilities.

Charting.

Landing areas, nav-  
igation facilities.Regulation and pro-  
tection of air traffic.*Proviso.*  
Airports, restriction  
on acquisition.Use of airways, etc.,  
not exclusive.

## Method of Establishment

(b) The Administrator shall insofar as practicable designate and establish civil airways with relation to visual, mechanical, electrical, radio, or other like aids along the ground for air navigation, and in such manner that not more than one airway shall embrace the same air space, except to the extent necessary for intersection of airways at landing areas or elsewhere, or except when such action is necessary in the interest of safety or efficient operation of aircraft, or when the operation of aircraft over one airway will not interfere with the operation of aircraft over another airway embracing the same air space: *Provided*, That nothing herein shall be construed to affect the promulgation or enforcement of any rules and regulations under this Act for the control of traffic.

Method of estab-  
lishment.*Proviso.*  
Rules and regula-  
tions.

## Airport Survey

(c) The Authority shall, through the Administrator, make a field survey of the existing system of airports and shall present to the Congress not later than February 1, 1939, definite recommendations (1) as to whether the Federal Government should participate in the construction, improvement, development, operation, or maintenance of a national system of airports, and (2) if Federal participation is recommended, the extent to which, and the manner in which, the Federal Government shall so participate.

Airport survey.

Recommendations to  
Congress.



## EXPENDITURE OF FEDERAL FUNDS

Expenditure of Federal funds.

SEC. 303. No Federal funds, other than those expended under this Act, shall be expended, other than for military purposes (whether or not in cooperation with State or other local governmental agencies), for the acquisition, establishment, construction, alteration, repair, maintenance, or operation of any landing area, or for the acquisition, establishment, construction, maintenance, or operation of air navigation facilities thereon, except upon written recommendation and certification by the Administrator, made after consultation with the Authority, that such landing area, or facility is reasonably necessary for use in air commerce or in the interests of national defense. Any interested person may apply to the Administrator, under regulations prescribed by him, for such recommendation and certification with respect to any landing area or air navigation facility proposed to be established, constructed, altered, repaired, maintained, or operated by, or in the interests of, such person. There shall be no exclusive right for the use of any landing area or air navigation facility upon which Federal funds have been expended.

## METEOROLOGICAL SERVICE

Meteorological service.

SEC. 304. The Administrator is empowered and directed to make recommendations to the Secretary of Agriculture for providing meteorological service necessary for the safe and efficient movement of aircraft in air commerce.

## DEVELOPMENT OF FACILITIES

Development of facilities.

SEC. 305. The Administrator is empowered to undertake or supervise such developmental work and service testing as tends to the creation of improved air navigation facilities, aircraft, aircraft engines, propellers, and appliances. For such purpose, the Administrator is empowered, subject to the approval of the Authority, to make purchases (including exchange) by negotiation or otherwise of experimental aircraft, aircraft engines, propellers, appliances, air navigation facilities, and radio apparatus, which seem to offer special advantages to aeronautics.

## COLLECTION AND DISSEMINATION OF INFORMATION

Collection and dissemination of information.

*Post*, pp. 987, 1007.

SEC. 306. The Administrator is empowered and directed to collect and disseminate information relative to civil aeronautics (other than information collected and disseminated by the Authority under titles IV and VI of this Act and by the Air Safety Board); to study the possibilities of the development of air commerce and the aeronautical industry; and to exchange with foreign governments, through appropriate governmental channels, information pertaining to civil aeronautics.

## DEVELOPMENT PLANNING

Development planning.

SEC. 307. The Administrator is empowered and directed to make plans for such orderly development and location of landing areas, airways, and all other aids and facilities for air navigation, as will best meet the needs of, and serve the interest of safety in, civil aeronautics.

## OTHER DUTIES OF ADMINISTRATOR

Other duties of Administrator.

SEC. 308. The Administrator shall exercise and perform the powers and duties vested in and imposed upon him by this Act, and such powers and duties vested in and imposed upon the Authority by

this Act (except the powers under sections 202, 203, 204, and 206, and the powers and duties under titles IV and VI) as may, from time to time, be assigned to him by the Authority; and shall so exercise and perform his powers and duties as best to effectuate the policies declared in, and the purposes of, this Act. The Authority may request the Administrator to make reports to it of his work under this Act.

*Ante*, pp. 981, 982, 983, 984; *post*, p. 1007.

Reports.

## TITLE IV—AIR CARRIER ECONOMIC REGULATION

### CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

#### Certificate Required

SEC. 401. (a) No air carrier shall engage in any air transportation unless there is in force a certificate issued by the Authority authorizing such air carrier to engage in such transportation: *Provided*, That if an air carrier is engaged in such transportation on the date of the enactment of this Act, such air carrier may continue so to engage between the same terminal and intermediate points for one hundred and twenty days after said date, and thereafter until such time as the Authority shall pass upon an application for a certificate for such transportation if within said one hundred and twenty days such air carrier files such application as provided herein.

Title IV—Air Carrier Economic Regulation.

Certificate of public convenience and necessity.

Certificate required.

*Proviso.*  
Existing carriers.

#### Application for Certificate

(b) Application for a certificate shall be made in writing to the Authority and shall be so verified, shall be in such form and contain such information, and shall be accompanied by such proof of service upon such interested persons, as the Authority shall by regulation require.

Application for certificate.

#### Notice of Application

(c) Upon the filing of any such application, the Authority shall give due notice thereof to the public by posting a notice of such application in the office of the secretary of the Authority and to such other persons as the Authority may by regulation determine. Any interested person may file with the Authority a protest or memorandum of opposition to or in support of the issuance of a certificate. Such application shall be set for public hearing, and the Authority shall dispose of such application as speedily as possible.

Notice of application.

#### Issuance of Certificate

(d) (1) The Authority shall issue a certificate authorizing the whole or any part of the transportation covered by the application, if it finds that the applicant is fit, willing, and able to perform such transportation properly, and to conform to the provisions of this Act and the rules, regulations, and requirements of the Authority hereunder, and that such transportation is required by the public convenience and necessity; otherwise such application shall be denied.

Issuance of certificate.

(2) In the case of an application for a certificate to engage in temporary air transportation, the Authority may issue a certificate authorizing the whole or any part thereof for such limited periods as may be required by the public convenience and necessity, if it finds that the applicant is fit, willing, and able properly to perform such transportation and to conform to the provisions of this Act and the rules, regulations, and requirements of the Authority hereunder.

## Existing Air Carriers

Existing air carriers.

(e) (1) If any applicant who makes application for a certificate within one hundred and twenty days after the date of enactment of this Act shall show that, from May 14, 1938, until the effective date of this section, it, or its predecessor in interest, was an air carrier, continuously operating as such (except as to interruptions of service over which the applicant or its predecessor in interest had no control), the Authority, upon proof of such fact only, shall, unless the service rendered by such applicant for such period was inadequate and inefficient, issue a certificate or certificates, authorizing such applicant to engage in air transportation (A) with respect to all classes of traffic for which authorization is sought, except mail, between the terminal and intermediate points between which it, or its predecessor, so continuously operated between May 18, 1938, and the effective date of this section, and (B) with respect to mail and all other classes of traffic for which authorization is sought, between the terminal and intermediate points between which the applicant or its predecessor was authorized by the Postmaster General prior to the effective date of this section, to engage in the transportation of mail: *Provided*, That no applicant holding an air-mail contract shall receive a certificate authorizing it to serve any point not named in such contract as awarded to it and not served by it prior to April 1, 1938, if any other air carrier competitively serving the same point under authority of a contract as awarded to such air carrier shall prove that it is adversely affected thereby, and if the Authority shall also find that transportation by the applicant to and from such point is not required by the public convenience and necessity.

*proviso.*  
Air-mail contractors,  
service restriction.

Issuance of certain  
certificates not other-  
wise provided for.  
*Ante*, p. 144.

(2) If paragraph (1) of this subsection does not authorize the issuance of a certificate authorizing the transportation of mail between each of the points between which air-mail service was provided for by the Act of Congress making appropriations for the Treasury Department and the Post Office Department, approved March 28, 1938, the Authority shall, notwithstanding any other provision of this Act, issue certificates authorizing the transportation of mail, and all other classes of traffic for which authorization is sought, between such points, namely, (A) from Wichita, Kansas, to Pueblo, Colorado, via intermediate cities; (B) from Bismarck, North Dakota, to Minot, North Dakota; (C) from Detroit, Michigan, to Sault Sainte Marie, Michigan, via intermediate cities; (D) from Brownsville, Texas, via Corpus Christi, to Houston to San Antonio, Texas; (E) from Phoenix, Arizona, to Las Vegas, Nevada, via intermediate cities; (F) from Jacksonville, Florida, to New Orleans, Louisiana, via intermediate cities; (G) from Tampa, Florida, to Memphis, Tennessee, via intermediate cities, and from Tampa, Florida, to Atlanta, Georgia, via intermediate cities (which projects have been advertised); and (H) by extension from Yakima, Washington, to Portland, Oregon; and (I) by extension from Grand Rapids, Michigan, to Chicago, Illinois.

Points designated.

## Terms and Conditions of Certificate

Terms and conditions of certificate.

(f) Each certificate issued under this section shall specify the terminal points and intermediate points, if any, between which the air carrier is authorized to engage in air transportation and the service to be rendered; and there shall be attached to the exercise of the privileges granted by the certificate, or amendment thereto, such reasonable terms, conditions, and limitations as the public interest may require. A certificate issued under this section to engage in foreign air transportation shall, insofar as the operation is to take place without the United States, designate the terminal and intermediate

Certificates for for-  
eign air transporta-  
tion.

points only insofar as the Authority shall deem practicable, and otherwise shall designate only the general route or routes to be followed. Any air carrier holding a certificate for foreign air transportation shall be authorized to handle and transport mail of countries other than the United States. No term, condition, or limitation of a certificate shall restrict the right of an air carrier to add to or change schedules, equipment, accommodations, and facilities for performing the authorized transportation and service as the development of the business and the demands of the public shall require. No air carrier shall be deemed to have violated any term, condition, or limitation of its certificate by landing or taking off during an emergency at a point not named in its certificate or by operating in an emergency, under regulations which may be prescribed by the Authority, between terminal and intermediate points other than those specified in its certificate. Any air carrier may make charter trips or perform any other special service, without regard to the points named in its certificate, under regulations prescribed by the Authority.

Emergencies.

Charter trips.

#### Effective Date and Duration of Certificate

(g) Each certificate shall be effective from the date specified therein, and shall continue in effect until suspended or revoked as hereinafter provided, or until the Authority shall certify that operation thereunder has ceased, or, if issued for a limited period of time under subsection (d) (2) of this section, shall continue in effect until the expiration thereof, unless, prior to the date of expiration, such certificate shall be suspended or revoked as provided herein, or the Authority shall certify that operations thereunder have ceased: *Provided*, That if any service authorized by a certificate is not inaugurated within such period, not less than ninety days, after the date of the authorization as shall be fixed by the Authority, or if, for a period of ninety days or such other period as may be designated by the Authority, any such service is not operated, the Authority may by order, entered after notice and hearing, direct that such certificate shall thereupon cease to be effective to the extent of such service.

Effective date and duration of certificate.

*Proviso.*  
Inauguration of service.

#### Authority to Modify, Suspend, or Revoke

(h) The Authority, upon petition or complaint or upon its own initiative, after notice and hearing, may alter, amend, modify, or suspend any such certificate, in whole or in part, if the public convenience and necessity so require, or may revoke any such certificate, in whole or in part, for intentional failure to comply with any provision of this title or any order, rule, or regulation issued hereunder or any term, condition, or limitation of such certificate: *Provided*, That no such certificate shall be revoked unless the holder thereof fails to comply, within a reasonable time to be fixed by the Authority, with an order of the Authority commanding obedience to the provision, or to the order (other than an order issued in accordance with this proviso), rule, regulation, term, condition, or limitation found by the Authority to have been violated. Any interested person may file with the Authority a protest or memorandum in support of or in opposition to the alteration, amendment, modification, suspension, or revocation of a certificate.

Authority to modify, suspend, or revoke certificate.

*Proviso.*  
Period for compliance before revocation.

#### Transfer of Certificate

(i) No certificate may be transferred unless such transfer is approved by the Authority as being consistent with the public interest.

Transfer of certificate.

### Certain Rights Not Conferred by Certificate

Certain rights not conferred by certificate.

(j) No certificate shall confer any proprietary, property, or exclusive right in the use of any air space, civil airway, landing area, or air-navigation facility.

### Application for Abandonment

Application for abandonment.

(k) No air carrier shall abandon any route, or part thereof, for which a certificate has been issued by the Authority, unless, upon the application of such air carrier, after notice and hearing, the Authority shall find such abandonment to be in the public interest. Any interested person may file with the Authority a protest or memorandum of opposition to or in support of any such abandonment. The Authority may, by regulations or otherwise, authorize such temporary suspension of service as may be in the public interest.

### Compliance With Labor Legislation

Compliance with labor legislation.

(1) (1) Every air carrier shall maintain rates of compensation, maximum hours, and other working conditions and relations of all of its pilots and copilots who are engaged in interstate air transportation within the continental United States (not including Alaska) so as to conform with decision numbered 83 made by the National Labor Board on May 10, 1934, notwithstanding any limitation therein as to the period of its effectiveness.

Rates of compensation, pilots and copilots.

(2) Every air carrier shall maintain rates of compensation for all of its pilots and copilots who are engaged in overseas or foreign air transportation or air transportation wholly within a Territory or possession of the United States, the minimum of which shall be not less, upon an annual basis, than the compensation required to be paid under said decision 83 for comparable service to pilots and copilots engaged in interstate air transportation within the continental United States (not including Alaska).

Collective bargaining.

(3) Nothing herein contained shall be construed as restricting the right of any such pilots or copilots, or other employees, of any such air carrier to obtain by collective bargaining higher rates of compensation or more favorable working conditions or relations.

49 Stat. 1189.  
45 U. S. C., Supp.  
III, §§ 181-188.

(4) It shall be a condition upon the holding of a certificate by any air carrier that such carrier shall comply with title II of the Railway Labor Act, as amended.

"Pilot," term defined.

(5) The term "pilot" as used in this subsection shall mean an employee who is responsible for the manipulation of or who manipulates the flight controls of an aircraft while under way including take-off and landing of such aircraft, and the term "copilot" as used in this subsection shall mean an employee any part of whose duty is to assist or relieve the pilot in such manipulation, and who is properly qualified to serve as, and holds a currently effective airman certificate authorizing him to serve as, such pilot or copilot.

"Copilot."

### Requirement as to Carriage of Mail

Requirement as to carriage of mail.

(m) Whenever so authorized by its certificate, any air carrier shall provide necessary and adequate facilities and service for the transportation of mail, and shall transport mail whenever required by the Postmaster General. Such air carrier shall be entitled to receive reasonable compensation therefor as hereinafter provided.

### Application for New Mail Service

Application for new mail service.

(n) Whenever, from time to time, the Postmaster General shall find that the needs of the Postal Service require the transportation of mail by aircraft between any points within the United States or between

the United States and foreign countries, in addition to the transportation of mail authorized in certificates then currently effective, the Postmaster General shall certify such finding to the Authority and file therewith a statement showing such additional service and the facilities necessary in connection therewith, and a copy of such certification and statement shall be posted for at least twenty days in the office of the secretary of the Authority. The Authority shall, after notice and hearing, and if found by it to be required by the public convenience and necessity, make provision for such additional service, and the facilities necessary in connection therewith, by issuing a new certificate or certificates or by amending an existing certificate or certificates in accordance with the provisions of this section.

#### PERMITS TO FOREIGN AIR CARRIERS

Permits to foreign  
air carriers.

##### Permit Required

SEC. 402. (a) No foreign air carrier shall engage in foreign air transportation unless there is in force a permit issued by the Authority authorizing such carrier so to engage: *Provided*, That if any foreign air carrier is engaged in such transportation on the date of the enactment of this Act, such carrier may continue so to engage between the same terminal and intermediate points for one hundred and twenty days after said date, and thereafter until such time as the Authority shall pass upon an application for a permit for such transportation if within said one hundred and twenty days such carrier files such application as provided in this section.

Permit required.

*Proviso.*  
Existing carriers.

##### Issuance of Permit

(b) The Authority is empowered to issue such a permit if it finds that such carrier is fit, willing, and able properly to perform such air transportation and to conform to the provisions of this Act and the rules, regulations, and requirements of the Authority hereunder, and that such transportation will be in the public interest.

Issuance of permit.

##### Existing Permits

(c) Any such carrier who holds a permit issued by the Secretary of Commerce under section 6 of the Air Commerce Act of 1926, as amended, which was in effect on May 14, 1938, and which authorizes such carrier to operate between any foreign country and the United States, shall be entitled to receive a permit under this section upon proof of that fact only.

Existing permits.  
44 Stat. 572.  
49 U. S. C. § 176.

##### Application for Permit

(d) Application for a permit shall be made in writing to the Authority, shall be so verified, shall be in such form and contain such information, and shall be accompanied by such proof of service upon such interested persons, as the Authority shall by regulation require.

Application for permit.

##### Notice of Application

(e) Upon the filing of an application for a permit the Authority shall give due notice thereof to the public by posting a notice of such application in the office of the secretary of the Authority and to such other persons as the Authority may by regulation determine. Any interested person may file with the Authority a protest or memorandum of opposition to or in support of the issuance of a permit. Such application shall be set for public hearing and the Authority shall dispose of such applications as speedily as possible.

Notice of application.

## Terms and Conditions of Permit

Terms and conditions of permit.

(f) The Authority may prescribe the duration of any permit and may attach to such permit such reasonable terms, conditions, or limitations as, in its judgment, the public interest may require.

## Authority to Modify, Suspend, or Revoke

Authority to modify, suspend, or revoke.

(g) Any permit issued under the provisions of this section may, after notice and hearing, be altered, modified, amended, suspended, canceled, or revoked by the Authority whenever it finds such action to be in the public interest. Any interested person may file with the Authority a protest or memorandum in support of or in opposition to the alteration, modification, amendment, suspension, cancellation, or revocation of a permit.

## Transfer of Permit

Transfer of permit.

(h) No permit may be transferred unless such transfer is approved by the Authority as being in the public interest.

Tariffs of air carriers.

## TARIFFS OF AIR CARRIERS

## Filing of Tariffs Required

Filing of tariffs required.

SEC. 403. (a) Every air carrier and every foreign air carrier shall file with the Authority, and print, and keep open to public inspection, tariffs showing all rates, fares, and charges for air transportation between points served by it, and between points served by it and points served by any other air carrier or foreign air carrier when through service and through rates shall have been established, and showing to the extent required by regulations of the Authority, all classifications, rules, regulations, practices, and services in connection with such air transportation. Tariffs shall be filed, posted, and published in such form and manner, and shall contain such information, as the Authority shall by regulation prescribe; and the Authority is empowered to reject any tariff so filed which is not consistent with this section and such regulations. Any tariff so rejected shall be void. The rates, fares, and charges shown in any tariff shall be stated in terms of lawful money of the United States, but such tariffs may also state rates, fares, and charges in terms of currencies other than lawful money of the United States, and may, in the case of foreign air transportation, contain such information as may be required under the laws of any country in or to which an air carrier or foreign air carrier is authorized to operate.

## Observance of Tariffs; Rebating Prohibited

Observance of tariffs; rebating prohibited.

(b) No air carrier or foreign air carrier shall charge or demand or collect or receive a greater or less or different compensation for air transportation, or for any service in connection therewith, than the rates, fares, and charges specified in its currently effective tariffs; and no air carrier or foreign air carrier shall, in any manner or by any device, directly or indirectly, or through any agent or broker, or otherwise, refund or remit any portion of the rates, fares, or charges so specified, or extend to any person any privileges or facilities, with respect to matters required by the Authority to be specified in such tariffs, except those specified therein. Nothing in this Act shall prohibit such air carriers or foreign air carriers, under such terms and conditions as the Authority may prescribe, from issuing or interchanging tickets or passes for free or reduced-rate transportation to their directors, officers, and employees and their immediate families; witnesses and attorneys attending any legal investigation in which

Passes, etc.

any such air carrier is interested; persons injured in aircraft accidents and physicians and nurses attending such persons; and any person or property with the object of providing relief in cases of general epidemic, pestilence, or other calamitous visitation; and, in the case of overseas or foreign air transportation, to such other persons and under such other circumstances as the Authority may by regulations prescribe.

#### Notice of Tariff Change

(c) No change shall be made in any rate, fare, or charge, or any classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of the service thereunder, specified in any effective tariff of any air carrier or foreign air carrier, except after thirty days' notice of the proposed change filed, posted, and published in accordance with subsection (a) of this section. Such notice shall plainly state the change proposed to be made and the time such change will take effect. The Authority may in the public interest, by regulation or otherwise, allow such change upon notice less than that herein specified, or modify the requirements of this section with respect to filing and posting of tariffs, either in particular instances or by general order applicable to special or peculiar circumstances or conditions.

Notice of tariff change.

#### Filing of Divisions of Rates and Charges Required

(d) Every air carrier or foreign air carrier shall keep currently on file with the Authority, if the Authority so requires, the established divisions of all joint rates, fares, and charges for air transportation in which such air carrier or foreign air carrier participates.

Filing of divisions of rates and charges required.

#### RATES FOR CARRIAGE OF PERSONS AND PROPERTY

Rates for carriage of persons and property.

#### Carrier's Duty to Provide Service, Rates, and Divisions

SEC. 404. (a) It shall be the duty of every air carrier to provide and furnish interstate and overseas air transportation, as authorized by its certificate, upon reasonable request therefor and to provide reasonable through service in such air transportation in connection with other air carriers; to provide safe and adequate service, equipment, and facilities in connection with such transportation; to establish, observe, and enforce just and reasonable individual and joint rates, fares, and charges, and just and reasonable classifications, rules, regulations, and practices relating to such air transportation; and, in case of such joint rates, fares, and charges, to establish just, reasonable, and equitable divisions thereof as between air carriers participating therein which shall not unduly prefer or prejudice any of such participating air carriers.

Carrier's duty to provide service, rates, etc.

Joint rates, etc., establishment of equitable divisions.

#### Discrimination

(b) No air carrier or foreign air carrier shall make, give, or cause any undue or unreasonable preference or advantage to any particular person, port, locality, or description of traffic in air transportation in any respect whatsoever or subject any particular person, port, locality, or description of traffic in air transportation to any unjust discrimination or any undue or unreasonable prejudice or disadvantage in any respect whatsoever.

Discrimination.

#### Foreign Rate Study

(c) The Authority is empowered and directed to investigate and report to the Congress within one year from the effective date of this

Foreign rate study.



section, to what extent, if any, the Federal Government should further regulate the rates, fares, and charges of air carriers engaged in foreign air transportation, and the classifications, rules, regulations, and practices affecting such rates, fares, or charges.

Transportation of  
mail.

#### TRANSPORTATION OF MAIL

##### Continuation and Termination of Mail Contracts

Continuation and  
termination of mail  
contracts.  
48 Stat. 933.  
39 U. S. C. §§ 463,  
469-469s; Supp. III,  
ch. 13.

SEC. 405. (a) Each contract between the United States and any person for the carriage of mail, entered into or continued under the provisions of the Air Mail Act of 1934, as amended, and each contract for the carriage of mail by aircraft in Alaska, shall be continued in effect until canceled in accordance with this subsection. Each such contract shall be canceled upon the issuance to the holder of such contract of a certificate of public convenience and necessity authorizing the transportation of mail by aircraft between the points covered by such contract, or upon the failure of the holder of such contract to apply for such certificate within one hundred and twenty days after the date of enactment of this act, or upon a determination by the Authority that such certificate should not be issued. Until the Authority fixes rates under section 406 of this Act, the Postmaster General shall pay compensation for the transportation of mail by aircraft at the rates provided by each such contract or, where rates have been heretofore or shall hereafter be fixed by orders of the Interstate Commerce Commission, pursuant to proceedings instituted prior to the date of enactment of this Act, shall pay compensation for such transportation in accordance with such orders as if this Act had not been enacted.

Compensation.  
*Post*, p. 998.

Foreign mail con-  
tracts.

Continuation and  
termination.  
45 Stat. 248, 1449.  
39 U. S. C. § 465a.

##### Continuation and Termination of Foreign Mail Contracts

(b) Each contract between the United States and any person heretofore entered into under the provisions of the Act of March 8, 1928, as amended (45 Stat. 248), shall be continued in effect until canceled in accordance with this subsection. Each such contract shall be canceled upon the issuance of a certificate of public convenience and necessity to the holder of such contract authorizing the transportation of mail by aircraft between the points covered by such contract, or upon the effective date of any order of the Authority hereunder fixing a fair and reasonable rate of compensation for the transportation of mail by aircraft between the points covered by such contract, whichever is later, or upon the failure of the holder of such contract to apply for such certificate within one hundred and twenty days after the date of enactment of this Act, or upon a determination by the Authority that such certificate should not be issued.

##### Termination of Bonds

Termination of  
bonds.

*Provides.*  
Prior obligations,  
etc.

(c) Upon the cancelation, pursuant to the provisions of this Act, of any contract for the transportation of mail by aircraft, the bond or bonds required from the holder thereof shall terminate and cease to be effective, and such holder and his or its surety or sureties thereon shall be released and discharged from all obligations thereunder, and all securities deposited with such bond or bonds shall forthwith be returned to such holder: *Provided*, That the foregoing provision shall not be construed to terminate or make ineffective any bond or bonds of such holder, or to release or discharge from any obligation thereunder such holder or his or its surety or sureties thereon, in respect of any matter arising prior to the date of the cancelation of such contract, and such holder or his or its surety or sureties thereon shall not be released or discharged prior to disposi-

tion of any such matter: *Provided further*, That nothing in this Act shall be construed to affect any right which may have accrued to any air carrier prior to the date of the cancelation, pursuant to the provisions of this Act, of any contract for the transportation of mail by aircraft.

Accrued rights.

#### Rules and Regulations

(d) The Postmaster General is authorized to make such rules and regulations, not inconsistent with the provisions of this Act, or any order, rule, or regulation made by the Authority thereunder, as may be necessary for the safe and expeditious carriage of mail by aircraft.

Rules and regulations.

#### Mail Schedules

(e) Each air carrier shall, from time to time, file with the Authority and the Postmaster General a statement showing the points between which such air carrier is authorized to engage in air transportation, and all schedules, and all changes therein, of aircraft regularly operated by the carrier between such points, setting forth in respect of each such schedule the points served thereby and the time of arrival and departure at each such point. The Postmaster General may designate any such schedule for the transportation of mail between the points between which the air carrier is authorized by its certificate to transport mail, and may, by order, require the air carrier to establish additional schedules for the transportation of mail between such points. No change shall be made in any schedules designated or ordered to be established by the Postmaster General except upon ten days' notice thereof filed as herein provided. The Postmaster General may by order disapprove any such change or alter, amend, or modify any such schedule or change. No order of the Postmaster General under this subsection shall become effective until ten days after its issuance. Any person who would be aggrieved by any such order of the Postmaster General under this subsection may, before the expiration of such ten-day period, apply to the Authority, under such regulations as it may prescribe, for a review of such order. The Authority may review, and, if the public convenience and necessity so require, amend, revise, suspend, or cancel such order; and, pending such review and the determination thereof, may postpone the effective date of such order. The Authority shall give preference to proceedings under this subsection over all proceedings pending before it. No air carrier shall transport mail in accordance with any schedule other than a schedule designated or ordered to be established under this subsection for the transportation of mail.

Mail schedules.

Changes.

Review of order.

#### Maximum Mail Load

(f) The Authority may fix the maximum mail load for any schedule or for any aircraft or any type of aircraft; but, in the event that mail in excess of the maximum load is tendered by the Postmaster General for transportation by any air carrier in accordance with any schedule designated or ordered to be established by the Postmaster General under subsection (e) of this section for the transportation of mail, such air carrier shall, to the extent such air carrier is reasonably able as determined by the Authority, furnish facilities sufficient to transport, and shall transport, such mail as nearly in accordance with such schedule as the Authority shall determine to be possible.

Maximum mail load.

#### Tender of Mail

(g) From and after the issuance of any certificate authorizing the transportation of mail by aircraft, the Postmaster General shall tender mail to the holder thereof, to the extent required by the Postal

Tender of mail.

Service, for transportation between the points named in such certificate for the transportation of mail, and such mail shall be transported by the air carrier holding such certificate in accordance with such rules, regulations, and requirements as may be promulgated by the Postmaster General under this section.

#### Foreign Postal Arrangements

Foreign postal arrangements.

(h) (1) Nothing in this Act shall be deemed to abrogate or affect any arrangement made by the United States with the postal administration of any foreign country with respect to transportation of mail by aircraft, or to impair the authority of the Postmaster General to enter into any such arrangement with the postal administration of any foreign country.

Service by alien carrier.

(2) The Postmaster General may, in any case where service may be necessary by a person not a citizen of the United States who may not be obligated to transport the mail for a foreign country, make arrangements, without advertising, with such person for transporting mail by aircraft to or within any foreign country.

#### Transportation of Foreign Mail

Transportation of foreign mail.

(i) (1) Any air carrier holding a certificate to engage in foreign air transportation and transporting mails of foreign countries shall transport such mails subject to control and regulation by the United States. The Postmaster General shall from time to time fix the rates of compensation that shall be charged the respective foreign countries for the transportation of their mails by such air carriers, and such rates shall be put into effect by the Postmaster General in accordance with the provisions of the postal convention regulating the postal relations between the United States and the respective foreign countries, or as provided hereinafter in this subsection. In any case where the Postmaster General deems such action to be in the public interest, he may approve rates provided in arrangements between any such air carrier and any foreign country covering the transportation of mails of such country, under which mails of such country have been carried on scheduled operations prior to January 1, 1938, or in extensions or modifications of such arrangements, and may permit any such air carrier to enter into arrangements with any foreign country for the transportation of its mails at rates fixed by the Postmaster General in advance of the making of any such arrangement. The Postmaster General may authorize any such air carrier, under such limitations as the Postmaster General may prescribe, to change the rates to be charged any foreign country for the transportation of its mails by such air carrier within that country or between that country and another foreign country.

Rates.

Arrangements by air carrier with a foreign country for transporting its mails.

(2) In any case where such air carrier has an arrangement with any foreign country for transporting its mails, made or approved in accordance with the provisions of subdivision (1) of this subsection, it shall collect its compensation from the foreign country under its arrangement, and in case of the absence of any arrangement between the air carrier and the foreign country consistent with this subsection, the collections made from the foreign country by the United States shall be for the account of such air carrier: *Provided*, That no such air carrier shall be entitled to receive compensation both from such foreign country and from the United States in respect of the transportation of the same mail or the same mails of foreign countries.

*Proviso.*  
Double compensation restriction.

(3) In the case of any air carrier holding a contract under the provisions of the Act of March 8, 1928, as amended (45 Stat. 248), providing for the carriage of mails of foreign countries for the account of the United States, this subsection shall apply only upon the cancelation of such contract as provided in this section.

Contracts providing for carriage of mails of foreign countries for account of United States.  
45 Stat. 248, 1449.  
39 U. S. C. § 465a.

#### Evidence of Performance of Mail Service

(j) Air carriers transporting or handling United States mail shall submit, under oath, when and in such form as may be required by the Postmaster General, evidence of the performance of mail service; and air carriers transporting or handling mails of foreign countries shall submit, under oath, when and in such form as may be required by the Postmaster General, evidence of the amount of such mails transported or handled, and the compensation payable and received therefor.

Evidence of performance of mail service.

#### Emergency Mail Service

(k) In the event of emergency caused by flood, fire, or other calamitous visitation, the Postmaster General is authorized to contract, without advertising, for the transportation by aircraft of any or all classes of mail to or from localities affected by such calamity, where available facilities of persons authorized to transport mail to or from such localities are inadequate to meet the requirements of the Postal Service during such emergency. Such contracts may be only for such periods as may be necessitated, for the maintenance of mail service, by the inadequacy of such other facilities. No operation pursuant to any such contract, for such period, shall be air transportation within the purview of this Act. Payment of compensation for service performed under such contracts shall be made, at rates provided in such contracts, from appropriations for the transportation of mail by the means normally used for transporting the mail transported under such contracts.

Emergency mail service.

#### Experimental Air-Mail Service

(l) Nothing contained in this Act shall be construed to repeal in whole or in part the provisions of sections 1, 2, and 6 of the Act entitled "An Act to provide for experimental air-mail service, to further develop safety, efficiency, economy, and for other purposes," approved April 15, 1938 (Public, Numbered 486, Seventy-fifth Congress; chapter 157, third session). The transportation of mail under contracts entered into under such sections shall not, except for sections 401 (l) and 416 (b), be deemed to be "air transportation" as used in this Act and the rates of compensation for such transportation of mail shall not be fixed under this Act. Such Act of April 15, 1938, is amended by striking out so much of the first section as reads "the Secretary of Commerce shall prescribe in accordance with the authority vested in him under the Air Commerce Act of 1926, as amended" and inserting in lieu thereof the following: "may be prescribed in accordance with the Civil Aeronautics Act of 1938".

Experimental air-mail service.  
*Ante*, pp. 218, 219.

Transportation of mail; when deemed not "air transportation."  
*Ante*, p. 990; *post*, p. 1005.

Contracts and operation.  
Textual change.  
*Ante*, p. 219.

#### Free Travel for Postal Employees

(m) Every air carrier carrying the mails shall carry on any plane that it operates and without charge therefor, the persons in charge of the mails when on duty, and such duly accredited agents and officers of the Post Office Department, and post office inspectors, while travel-

Free travel for postal employees.

ing on official business relating to the transportation of mail by aircraft, as the Authority may by regulation prescribe, upon the exhibition of their credentials.

Rates for transportation of mail.

#### RATES FOR TRANSPORTATION OF MAIL

##### Authority to Fix Rates

Authority to fix rates.

Method of ascertainment.

Publication.

SEC. 406. (a) The Authority is empowered and directed, upon its own initiative or upon petition of the Postmaster General or an air carrier, (1) to fix and determine from time to time, after notice and hearing, the fair and reasonable rates of compensation for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith (including the transportation of mail by an air carrier by other means than aircraft whenever such transportation is incidental to the transportation of mail by aircraft or is made necessary by conditions of emergency arising from aircraft operation), by each holder of a certificate authorizing the transportation of mail by aircraft, and to make such rates effective from such date as it shall determine to be proper; (2) to prescribe the method or methods, by aircraft-mile, pound-mile, weight, space, or any combination thereof, or otherwise, for ascertaining such rates of compensation for each air carrier or class of air carriers; and (3) to publish the same; and the rates so fixed and determined shall be paid by the Postmaster General from appropriations for the transportation of mail by aircraft.

##### Rate-Making Elements

Rate-making elements.

(b) In fixing and determining fair and reasonable rates of compensation under this section, the Authority, considering the conditions peculiar to transportation by aircraft and to the particular air carrier or class of air carriers, may fix different rates for different air carriers or classes of air carriers, and different classes of service. In determining the rate in each case, the Authority shall take into consideration, among other factors, the condition that such air carriers may hold and operate under certificates authorizing the carriage of mail only by providing necessary and adequate facilities and service for the transportation<sup>1</sup> of mail; such standards respecting the character and quality of service to be rendered by air carriers as may be prescribed by or pursuant to law; and the need of each such air carrier for compensation for the transportation of mail sufficient to insure the performance of such service, and, together with all other elements of the air carrier, to enable such air carrier under honest, economical, and efficient management, to maintain and continue the development of air transportation to the extent and of the character and quality required for the commerce of the United States, the Postal Service, and the national defense.

##### Statement of Postmaster General and Carrier

Statement of Postmaster General and carrier.

(c) Any petition for the fixing of fair and reasonable rates of compensation under this section shall include a statement of the rates the petitioner believes to be fair and reasonable. The Postmaster General shall introduce as part of the record in all proceedings under this section a comprehensive statement of all service to be required of the air carrier and such other information in his possession as may be deemed by the Authority to be material to the inquiry.

<sup>1</sup> So in original.

### Weighing of Mail

(d) The Postmaster General may weigh the mail transported by aircraft and make such computations for statistical and administrative purposes as may be required in the interest of the mail service. The Postmaster General is authorized to employ such clerical and other assistance as may be required in connection with proceedings under this Act. If the Authority shall determine that it is necessary or advisable, in order to carry out the provisions of this Act, to have additional and more frequent weighing of the mails, the Postmaster General, upon request of the Authority, shall provide therefor in like manner, but such weighing need not be for continuous periods of more than thirty days.

Weighing of mail.

### Availability of Appropriations

(e) Except as otherwise provided in section 405 (k), the unexpended balances of all appropriations for the transportation of mail by aircraft pursuant to contracts entered into under the Air Mail Act of 1934, as amended, and the unexpended balances of all appropriations available for the transportation of mail by aircraft in Alaska, shall be available, in addition to the purposes stated in such appropriations, for the payment of compensation by the Postmaster General, as provided in this Act, for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith, between points in the continental United States or between points in Hawaii or in Alaska or between points in the continental United States and points in Canada within one hundred and fifty miles of the international boundary line. Except as otherwise provided in section 405 (k), the unexpended balances of all appropriations for the transportation of mail by aircraft pursuant to contracts entered into under the Act of March 8, 1928, as amended, shall be available, in addition to the purposes stated in such appropriations, for payment to be made by the Postmaster General, as provided by this Act, in respect of the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith, between points in the United States and points outside thereof, or between points in the continental United States and Territories or possessions of the United States, or between Territories or possessions of the United States.

Availability of appropriations.  
48 Stat. 933.  
39 U. S. C. §§ 463, 469-469s; Supp. III, ch. 13.

45 Stat. 248, 1449.  
39 U. S. C. § 465a.

### Payments to Foreign Air Carriers

(f) In any case where air transportation is performed between the United States and any foreign country, both by aircraft owned or operated by one or more air carriers holding a certificate under this title and by aircraft owned or operated by one or more foreign air carriers, the Postmaster General shall not pay to or for the account of any such foreign air carrier a rate of compensation for transporting mail by aircraft between the United States and such foreign country, which, in his opinion, will result (over such reasonable period as the Postmaster General may determine, taking account of exchange fluctuations and other factors) in such foreign air carrier receiving a higher rate of compensation for transporting such mail than such foreign country pays to air carriers for transporting its mail by aircraft between such foreign country and the United States, or receiving a higher rate of compensation for transporting such mail than a rate determined by the Postmaster General to be comparable to the rate such foreign country pays to air carriers for

Payments to foreign air carriers.

transporting its mail by aircraft between such foreign country and an intermediate country on the route of such air carrier between such foreign country and the United States.

Accounts, records,  
and reports.

#### ACCOUNTS, RECORDS, AND REPORTS

##### Filing of Reports

Filing of reports.

SEC. 407. (a) The Authority is empowered to require annual, monthly, periodical, and special reports from any air carrier; to prescribe the manner and form in which such reports shall be made; and to require from any air carrier specific answers to all questions upon which the Authority may deem information to be necessary. Such reports shall be under oath whenever the Authority so requires. The Authority may also require any air carrier to file with it a true copy of each or any contract, agreement, understanding, or arrangement, between such air carrier and any other carrier or person, in relation to any traffic affected by the provisions of this Act.

##### Disclosure of Stock Ownership

Disclosure of stock  
ownership.

(b) Each air carrier shall submit annually, and at such other times as the Authority shall require, a list showing the names of each of its stockholders or members holding more than 5 per centum of the entire capital stock or capital, as the case may be, of such air carrier, together with the name of any person for whose account, if other than the holder, such stock is held; and a report setting forth a description of the shares of stock, or other interests, held by such air carrier, or for its account, in persons other than itself.

##### Disclosure of Stock Ownership by Officer or Director

By officer or direc-  
tor.

(c) Each officer and director of an air carrier shall annually and at such other times as the Authority shall require transmit to the Authority a report describing the shares of stock or other interests held by him in any air carrier, any person engaged in any phase of aeronautics, or any common carrier, and in any person whose principal business, in purpose or in fact, is the holding of stock in, or control of, air carriers, other persons engaged in any phase of aeronautics, or common carriers.

##### Form of Accounts

Form of accounts.

(d) The Authority shall prescribe the forms of any and all accounts, records, and memoranda to be kept by air carriers, including the accounts, records, and memoranda of the movement of traffic, as well as of the receipts and expenditures of money, and the length of time such accounts, records, and memoranda shall be preserved; and it shall be unlawful for air carriers to keep any accounts, records, or memoranda other than those prescribed or approved by the Authority: *Provided*, That any air carrier may keep additional accounts, records, or memoranda if they do not impair the integrity of the accounts, records, or memoranda prescribed or approved by the Authority and do not constitute an undue financial burden on such air carrier.

*proviso.*  
Additional accounts,  
records, etc., permit-  
ted.

##### Inspection of Accounts and Property

Inspection of ac-  
counts and property.

(e) The Authority shall at all times have access to all lands, buildings, and equipment of any carrier and to all accounts, records, and memoranda, including all documents, papers, and correspondence, now or hereafter existing, and kept or required to be kept by air

carriers; and it may employ special agents or auditors, who shall have authority under the orders of the Authority to inspect and examine any and all such lands, buildings, equipment, accounts, records, and memoranda. The provisions of this section shall apply, to the extent found by the Authority to be reasonably necessary for the administration of this Act, to persons having control over any air carrier, or affiliated with any air carrier within the meaning of section 5 (8) of the Interstate Commerce Act, as amended.

#### CONSOLIDATION, MERGER, AND ACQUISITION OF CONTROL

##### Acts Prohibited

SEC. 408. (a) It shall be unlawful, unless approved by order of the Authority as provided in this section—

(1) For two or more air carriers, or for any air carrier and any other common carrier or any person engaged in any other phase of aeronautics, to consolidate or merge their properties, or any part thereof, into one person for the ownership, management, or operation of the properties theretofore in separate ownerships;

(2) For any air carrier, any person controlling an air carrier, any other common carrier, or any person engaged in any other phase of aeronautics, to purchase, lease, or contract to operate the properties, or any substantial part thereof, of any air carrier;

(3) For any air carrier or person controlling an air carrier to purchase, lease, or contract to operate the properties, or any substantial part thereof, of any person engaged in any phase of aeronautics otherwise than as an air carrier;

(4) For any foreign air carrier or person controlling a foreign air carrier to acquire control, in any manner whatsoever, of any citizen of the United States engaged in any phase of aeronautics;

(5) For any air carrier or person controlling an air carrier, any other common carrier, or any person engaged in any other phase of aeronautics, to acquire control of any air carrier in any manner whatsoever;

(6) For any air carrier or person controlling an air carrier to acquire control, in any manner whatsoever, of any person engaged in any phase of aeronautics otherwise than as an air carrier; or

(7) For any person to continue to maintain any relationship established in violation of any of the foregoing subdivisions of this subsection.

##### Power of Authority

(b) Any person seeking approval of a consolidation, merger, purchase, lease, operating contract, or acquisition of control, specified in subsection (a) of this section, shall present an application to the Authority, and thereupon the Authority shall notify the persons involved in the consolidation, merger, purchase, lease, operating contract, or acquisition of control, and other persons known to have a substantial interest in the proceeding, of the time and place of a public hearing. Unless, after such hearing, the Authority finds that the consolidation, merger, purchase, lease, operating contract, or acquisition of control will not be consistent with the public interest or that the conditions of this section will not be fulfilled, it shall by order, approve such consolidation, merger, purchase, lease, operating contract, or acquisition of control, upon such terms and conditions as it shall find to be just and reasonable and with such modifications as it may prescribe: *Provided*, That the Authority shall not approve any consolidation, merger, purchase, lease, operating contract, or acquisition of control which would result in creating a monopoly or monopo-

Scope.

24 Stat. 380; 48 Stat. 218.  
49 U. S. C. § 5 (8).

Consolidation, merger, and acquisition of control.

Acts prohibited.

Power of Authority.

*Provisos.*  
Monopolies forbid.  
den.



If carrier is other than an air carrier.

24 Stat. 380; 48 Stat. 218.  
49 U. S. C. § 5 (8).

lies and thereby restrain competition or jeopardize another air carrier not a party to the consolidation, merger, purchase, lease, operating contract, or acquisition of control: *Provided further*, That if the applicant is a carrier other than an air carrier, or a person controlled by a carrier other than an air carrier or affiliated therewith within the meaning of section 5 (8) of the Interstate Commerce Act, as amended, such applicant shall for the purposes of this section be considered an air carrier and the Authority shall not enter such an order of approval unless it finds that the transaction proposed will promote the public interest by enabling such carrier other than an air carrier to use aircraft to public advantage in its operation and will not restrain competition.

#### Interests in Ground Facilities

Interests in ground facilities.

(c) The provisions of this section and section 409 shall not apply with respect to the acquisition or holding by any air carrier, or any officer or director thereof, of (1) any interest in any ticket office, landing area, hangar, or other ground facility reasonably incidental to the performance by such air carrier of any of its services, or (2) any stock or other interest or any office or directorship in any person whose principal business is the maintenance or operation of any such ticket office, landing area, hangar, or other ground facility.

#### Jurisdiction of Accounts of Noncarriers

Jurisdiction of accounts of noncarriers.

(d) Whenever, after the effective date of this section, a person, not an air carrier, is authorized, pursuant to this section, to acquire control of an air carrier, such person thereafter shall, to the extent found by the Authority to be reasonably necessary for the administration of this Act, be subject, in the same manner as if such person were an air carrier, to the provisions of this Act relating to accounts, records, and reports, and the inspection of facilities and records, including the penalties applicable in the case of violations thereof.

#### Investigation of Violations

Investigation of violations.

(e) The Authority is empowered, upon complaint or upon its own initiative, to investigate and, after notice and hearing, to determine whether any person is violating any provision of subsection (a) of this section. If the Authority finds after such hearing that such person is violating any provision of such subsection, it shall by order require such person to take such action, consistent with the provisions of this Act, as may be necessary, in the opinion of the Authority, to prevent further violation of such provision.

Prohibited interests.

#### PROHIBITED INTERESTS

#### Interlocking Relationships

Interlocking relationships.

SEC. 409. (a) After one hundred and eighty days after the effective date of this section, it shall be unlawful, unless such relationship shall have been approved by order of the Authority upon due showing, in the form and manner prescribed by the Authority, that the public interest will not be adversely affected thereby—

(1) For any air carrier to have and retain an officer or director who is an officer, director, or member, or who as a stockholder holds a controlling interest, in any other person who is a common carrier or is engaged in any phase of aeronautics.

(2) For any air carrier, knowingly and willfully, to have and retain an officer or director who has a representative or nominee who

represents such officer or director as an officer, director, or member, or as a stockholder holding a controlling interest, in any other person who is a common carrier or is engaged in any phase of aeronautics.

(3) For any person who is an officer or director of an air carrier to hold the position of officer, director, or member, or to be a stockholder holding a controlling interest, or to have a representative or nominee who represents such person as an officer, director, or member, or as a stockholder holding a controlling interest, in any other person who is a common carrier or is engaged in any phase of aeronautics.

(4) For any air carrier to have and retain an officer or director who is an officer, director, or member, or who as a stockholder holds a controlling interest, in any person whose principal business, in purpose or in fact, is the holding of stock in, or control of, any other person engaged in any phase of aeronautics.

(5) For any air carrier, knowingly and willfully, to have and retain an officer or director who has a representative or nominee who represents such officer or director as an officer, director, or member, or as a stockholder holding a controlling interest, in any person whose principal business, in purpose or in fact, is the holding of stock in, or control of, any other person engaged in any phase of aeronautics.

(6) For any person who is an officer or director of an air carrier to hold the position of officer, director, or member, or to be a stockholder holding a controlling interest, or to have a representative or nominee who represents such person as an officer, director, or member, or as a stockholder holding a controlling interest, in any person whose principal business, in purpose or in fact, is the holding of stock in, or control of, any other person engaged in any phase of aeronautics.

#### Profit from Transfer of Securities

(b) After this section takes effect it shall be unlawful for any officer or director of any air carrier to receive for his own benefit, directly or indirectly, any money or thing of value in respect of negotiation, hypothecation, or sale of any securities issued or to be issued by such carrier, or to share in any of the proceeds thereof.

Profit from transfer of securities.

#### LOANS AND FINANCIAL AID

SEC. 410. The Authority is empowered to approve or disapprove, in whole or in part, any and all applications made after the effective date of this section for or in connection with any loan or other financial aid from the United States or any agency thereof to, or for the benefit of, any air carrier. No such loan or financial aid shall be made or given without such approval, and the terms and conditions upon which such loan or financial aid is provided shall be prescribed by the Authority.

Loans and financial aid.

#### METHODS OF COMPETITION

SEC. 411. The Authority may, upon its own initiative or upon complaint by any air carrier or foreign air carrier, if it considers that such action by it would be in the interest of the public, investigate and determine whether any air carrier or foreign air carrier has been or is engaged in unfair or deceptive practices or unfair methods of competition in air transportation. If the Authority shall find, after notice and hearing, that such air carrier or foreign air carrier is engaged in such unfair or deceptive practices or unfair methods of competition, it shall order such air carrier or foreign air carrier to cease and desist from such practices or methods of competition.

Methods of competition.

Pooling and other agreements.

#### POOLING AND OTHER AGREEMENTS

##### Filing of Agreements Required

Filing of agreements required.

SEC. 412. (a) Every air carrier shall file with the Authority a true copy, or, if oral, a true and complete memorandum, of every contract or agreement (whether enforceable by provisions for liquidated damages, penalties, bonds, or otherwise) affecting air transportation and in force on the effective date of this section or hereafter entered into, or any modification or cancellation thereof, between such air carrier and any other air carrier, foreign air carrier, or other carrier for pooling or apportioning earnings, losses, traffic, service, or equipment, or relating to the establishment of transportation rates, fares, charges, or classifications, or for preserving and improving safety, economy, and efficiency of operation, or for controlling, regulating, preventing, or otherwise eliminating destructive, oppressive, or wasteful competition, or for regulating stops, schedules, and character of service, or for other cooperative working arrangements.

##### Approval by Authority

Approval by Authority.

(b) The Authority shall by order disapprove any such contract or agreement, whether or not previously approved by it, that it finds to be adverse to the public interest, or in violation of this Act, and shall by order approve any such contract or agreement, or any modification or cancellation thereof, that it does not find to be adverse to the public interest, or in violation of this Act.

#### FORM OF CONTROL

Form of control.

SEC. 413. For the purposes of this title, whenever reference is made to control, it is immaterial whether such control is direct or indirect.

#### LEGAL RESTRAINTS

Legal restraints.  
*Ante*, pp. 1001, 1002.

38 Stat. 730.  
15 U. S. C. § 12.

SEC. 414. Any person affected by any order made under sections 408, 409, or 412 of this Act shall be, and is hereby, relieved from the operations of the "antitrust laws", as designated in section 1 of the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, and of all other restraints or prohibitions made by, or imposed under, authority of law, insofar as may be necessary to enable such person to do anything authorized, approved, or required by such order.

#### INQUIRY INTO AIR CARRIER MANAGEMENT

Inquiry into air carrier management.

SEC. 415. For the purpose of exercising and performing its powers and duties under this Act, the Authority is empowered to inquire into the management of the business of any air carrier and, to the extent reasonably necessary for any such inquiry, to obtain from such carrier, and from any person controlling or controlled by, or under common control with, such air carrier, full and complete reports and other information.

Classification and exemption of carriers.

#### CLASSIFICATION AND EXEMPTION OF CARRIERS

##### Classification

Establishment of classifications or groups.

Rules and regulations.

SEC. 416. (a) The Authority may from time to time establish such just and reasonable classifications or groups of air carriers for the purposes of this title as the nature of the services performed by such air carriers shall require; and such just and reasonable rules, and regulations, pursuant to and consistent with the provisions of this title,

to be observed by each such class or group, as the Authority finds necessary in the public interest.

#### Exemptions

(b) (1) The Authority, from time to time and to the extent necessary, may (except as provided in paragraph (2) of this subsection) exempt from the requirements of this title or any provision thereof, or any rule, regulation, term, condition, or limitation prescribed thereunder, any air carrier or class of air carriers, if it finds that the enforcement of this title or such provision, or such rule, regulation, term, condition, or limitation is or would be an undue burden on such air carrier or class of air carriers by reason of the limited extent of, or unusual circumstances affecting, the operations of such air carrier or class of air carriers and is not in the public interest.

(2) The Authority shall not exempt any air carrier from any provision of subsection (1) of section 401 of this title, except that (A) any air carrier not engaged in scheduled air transportation, and (B), to the extent that the operations of such air carrier are conducted during daylight hours, any air carrier engaged in scheduled air transportation, may be exempted from the provisions of paragraphs (1) and (2) of such subsection if the Authority finds, after notice and hearing, that, by reason of the limited extent of, or unusual circumstances affecting, the operations of any such air carrier, the enforcement of such paragraphs is or would be such an undue burden on such air carrier as to obstruct its development and prevent it from beginning or continuing operations, and that the exemption of such air carrier from such paragraphs would not adversely affect the public interest: *Provided*, That nothing in this subsection shall be deemed to authorize the Authority to exempt any air carrier from any requirement of this title, or any provision thereof, or any rule, regulation, term, condition, or limitation prescribed thereunder which provides for maximum flying hours for pilots or copilots.

Exemptions.

Exceptions.  
*Ante*, p. 990.

*Proviso.*  
Maximum flying hours for pilots or copilots.

### TITLE V—NATIONALITY AND OWNERSHIP OF AIRCRAFT

#### REGISTRATION OF AIRCRAFT NATIONALITY

##### Registration Required

SEC. 501. (a) It shall be unlawful for any person to operate or navigate any aircraft eligible for registration if such aircraft is not registered by its owner as provided in this section, or (except as provided in section 6 of the Air Commerce Act of 1926, as amended) to operate or navigate within the United States any aircraft not eligible for registration: *Provided*, That aircraft of the national defense forces of the United States may be operated and navigated without being so registered if such aircraft are identified, by the agency having jurisdiction over them, in a manner satisfactory to the Authority. The Authority may, by regulation, permit the operation and navigation of aircraft without registration by the owner for such reasonable periods after transfer of ownership thereof as the Authority may prescribe.

Registration required.

44 Stat. 572.  
49 U. S. C. § 176.

*Proviso.*  
Aircraft of national defense forces.

Operation without registration after transfer; limitation.

##### Eligibility for Registration

(b) An aircraft shall be eligible for registration if, but only if—  
(1) It is owned by a citizen of the United States and is not registered under the laws of any foreign country; or

(2) It is an aircraft of the Federal Government, or of a State, Territory, or possession of the United States, or the District of Columbia, or of a political subdivision thereof.

Eligibility for registration.

### Issuance of Certificate

Issuance of certificate.

(c) Upon request of the owner of any aircraft eligible for registration, such aircraft shall be registered by the Authority and the Authority shall issue to the owner thereof a certificate of registration.

### Applications

Applications.

(d) Applications for such certificates shall be in such form, be filed in such manner, and contain such information as the Authority may require.

### Suspension or Revocation

Suspension or revocation.

(e) Any such certificate may be suspended or revoked by the Authority for any cause which renders the aircraft ineligible for registration.

### Effect of Registration

Effect of registration.

(f) Such certificate shall be conclusive evidence of nationality for international purposes, but not in any proceeding under the laws of the United States. Registration shall not be evidence of ownership of aircraft in any proceeding in which such ownership by a particular person is, or may be, in issue.

Engines, propellers, and appliances.

### REGISTRATION OF ENGINES, PROPELLERS, AND APPLIANCES

Registration of.

SEC. 502. The Authority may establish reasonable rules and regulations for registration and identification of aircraft engines, propellers, and appliances, in the interest of safety, and no aircraft engine, propeller, or appliance shall be used in violation of any such rule or regulation.

Recordation of aircraft ownership.

### RECORDATION OF AIRCRAFT OWNERSHIP

#### Establishment of Recording System

Establishment of recording system.

SEC. 503. (a) The Authority shall establish and maintain a system for recording all conveyances affecting the title to, or interest in, any civil aircraft of the United States.

### Conveyances to be Recorded

Conveyances to be recorded.

(b) No conveyance made or given on or after the effective date of this section, which affects the title to, or interest in, any civil aircraft of the United States, or any portion thereof, shall be valid in respect of such aircraft or portion thereof against any person other than the person by whom the conveyance is made or given, his heir or devisee, and any person having actual notice thereof, until such conveyance is recorded in the office of the secretary of the Authority. Every such conveyance so recorded in the office of the secretary of the Authority shall be valid as to all persons without further recordation. Any instrument, recordation of which is required by the provisions of this section, shall take effect from the date of its recordation, and not from the date of its execution.

### Form of Conveyance

Form of conveyance.

(c) No conveyance shall be recorded unless it states the interest in the aircraft of the person by whom such conveyance is made or given or, in the case of a contract of conditional sale, the interest of the vendor, and states the interest transferred by the conveyance, and unless it shall have been acknowledged before a notary public or other officer authorized by law of the United States, or of a State, Territory, or possession thereof, or the District of Columbia, to take acknowledgment of deeds.

### Index of Conveyances

(d) The Authority shall record conveyances delivered to it in the order of their reception, in files to be kept for that purpose, and indexed to show—

Index of conveyances.

- (1) the identifying description of the aircraft;
- (2) the names of the parties to the conveyance;
- (3) the time and date of reception of the instrument and the time and date of recordation thereof;
- (4) the interest in the aircraft transferred by the conveyance; and
- (5) if such conveyance is made as security for indebtedness, the amount and date of maturity of such indebtedness.

### Regulations

(e) The Authority is authorized to provide by regulation for the endorsement upon certificates of registration, or aircraft certificates, of information with respect to the ownership of the aircraft for which each certificate is issued, for the recording of discharges and satisfactions of recorded instruments and other transactions affecting title to, or interest in, aircraft, and for such other records, proceedings, and details as may be necessary to facilitate the determination of the rights of parties dealing with civil aircraft of the United States.

Regulations.

### Previously Unrecorded Ownership

(f) The person applying for the issuance or renewal of an airworthiness certificate for an aircraft with respect to which there has been no recordation of ownership as provided in this section shall present with his application such information with respect to the ownership of the aircraft as the Authority shall deem necessary to show the persons who are holders of property interests in such aircraft and the nature and extent of such interests.

Previously unrecorded ownership.

## TITLE VI—CIVIL AERONAUTICS SAFETY REGULATION

Title VI—Civil Aeronautics Safety Regulation.

### GENERAL SAFETY POWERS AND DUTIES

General safety powers and duties.

#### Minimum Standards; Rules and Regulations

SEC. 601. (a) The Authority is empowered, and it shall be its duty to promote safety of flight in air commerce by prescribing and revising from time to time—

Minimum standards; rules and regulations.

(1) Such minimum standards governing the design, materials, workmanship, construction, and performance of aircraft, aircraft engines, and propellers as may be required in the interest of safety;

(2) Such minimum standards governing appliances as may be required in the interest of safety;

(3) Reasonable rules and regulations and minimum standards governing, in the interest of safety, (A) the inspection, servicing, and overhaul of aircraft, aircraft engines, propellers, and appliances; (B) the equipment and facilities for such inspection, servicing, and overhaul; and (C) in the discretion of the Authority, the periods for, and the manner in, which such inspection, servicing, and overhaul shall be made, including provision for examinations and reports by properly qualified private persons whose examinations or reports the Authority may accept in lieu of those made by its officers and employees;

(4) Reasonable rules and regulations governing the reserve supply of aircraft, aircraft engines, propellers, appliances, and

aircraft fuel and oil, required in the interest of safety, including the reserve supply of aircraft fuel and oil which shall be carried in flight;

(5) Reasonable rules and regulations governing, in the interest of safety, the maximum hours or periods of service of airmen, and other employees, of air carriers;

(6) Such reasonable rules and regulations, or minimum standards, governing other practices, methods, and procedure, as the Authority may find necessary to provide adequately for safety in air commerce; and

(7) Air traffic rules governing the flight of, and for the navigation, protection, and identification of, aircraft, including rules as to safe altitudes of flight and rules for the prevention of collisions between aircraft, and between aircraft and land or water vehicles.

#### Needs of Service to Be Considered; Classifications of Standards, and so Forth

Needs of service to be considered; classifications of standards, etc.

(b) In prescribing standards, rules, and regulations, and in issuing certificates under this title, the Authority shall give full consideration to the duty resting upon air carriers to perform their services with the highest possible degree of safety in the public interest and to any differences between air transportation and other air commerce; and it shall make classifications of such standards, rules, and regulations, and certificates appropriate to the differences between air transportation and other air commerce. The Authority may authorize any aircraft, aircraft engine, propeller, or appliance, for which an aircraft certificate authorizing use thereof in air transportation has been issued, to be used in other air commerce without the issuance of a further certificate. The Authority shall exercise and perform its powers and duties under this Act in such manner as will best tend to reduce or eliminate the possibility of, or recurrence of, accidents in air transportation, but shall not deem itself required to give preference to either air transportation or other air commerce in the administration and enforcement of this title.

Airman certificates.

#### AIRMAN CERTIFICATES

##### Power to Issue Certificate

Power to issue.

SEC. 602. (a) The Authority is empowered to issue airman certificates specifying the capacity in which the holders thereof are authorized to serve as airmen in connection with aircraft.

##### Issuance of Certificate

Issuance of certificate.

(b) Any person may file with the Authority an application for an airman certificate. If the Authority finds, after investigation, that such person possesses proper qualifications for, and is physically able to perform the duties pertaining to, the position for which the airman certificate is sought, it shall issue such certificate, containing such terms, conditions, and limitations as to duration thereof, periodic or special examinations, tests of physical fitness, and other matters as the Authority may determine to be necessary to assure safety in air commerce. Any person whose application for the issuance or renewal of an airman certificate is denied may file with the Authority a petition for reconsideration, and the Authority shall thereupon assign such application for hearing at a place convenient to the applicant's place of residence or employment: *Provided*, That the Authority may, in its discretion, prohibit or restrict the issuance of airman certificates to aliens, or may make such issuance dependent on the terms of reciprocal agreements entered into with foreign governments.

*Proviso.*  
Issuance to aliens.

## Form and Recording of Certificate

(c) Each certificate shall be numbered and recorded by the Authority; shall state the name and address of, and contain a description of, the person to whom the certificate is issued; and shall be entitled with the designation of the class covered thereby. Certificates issued to all pilots serving in scheduled air transportation shall be designated "air-line transport pilot" of the proper class.

Form and recording.

## AIRCRAFT CERTIFICATES

Aircraft certificates.

## Type Certificates

Type certificates.

SEC. 603. (a) (1) The Authority is empowered to issue type certificates for aircraft, aircraft engines, and propellers; to specify in regulations the appliances for which the issuance of type certificates is reasonably required in the interest of safety; and to issue such certificates for appliances so specified.

(2) Any interested person may file with the Authority an application for a type certificate for an aircraft, aircraft engine, propeller, or appliance specified in regulations under paragraph (1) of this subsection. Upon receipt of an application, the Authority shall make an investigation thereof and may hold hearings thereon. The Authority shall make, or require the applicant to make, such tests during manufacture and upon completion as the Authority deems reasonably necessary in the interest of safety, including flight tests and tests of raw materials or any part or appurtenance of such aircraft, aircraft engine, propeller, or appliance. If the Authority finds that such aircraft, aircraft engine, propeller, or appliance is of proper design, material, specification, construction, and performance for safe operation, and meets the minimum standards, rules, and regulations prescribed by the Authority, it shall issue a type certificate therefor. The Authority may prescribe in any such certificate the duration thereof and such other terms, conditions, and limitations as are required in the interest of safety. The Authority may record upon any certificate issued for aircraft, aircraft engines, or propellers, a numerical determination of all of the essential factors relative to the performance of the aircraft, aircraft engine, or propeller for which the certificate is issued.

## Production Certificate

(b) Upon application, and if it satisfactorily appears to the Authority that duplicates of any aircraft, aircraft engine, propeller, or appliance for which a type certificate has been issued will conform to such certificate, the Authority shall issue a production certificate authorizing the production of duplicates of such aircraft, aircraft engines, propellers, or appliances. The Authority shall make such inspection and may require such tests of any aircraft, aircraft engine, propeller, or appliance manufactured under a production certificate as may be necessary to assure manufacture of each unit in conformity with the type certificate or any amendment or modification thereof. The Authority may prescribe in any such production certificate the duration thereof and such other terms, conditions, and limitations as are required in the interest of safety.

Production certificate.

## Airworthiness Certificate

(c) The registered owner of any aircraft may file with the Authority an application for an airworthiness certificate for such aircraft. If the Authority finds that the aircraft conforms to the type certificate therefor, and, after inspection, that the aircraft is in condition for safe

Airworthiness certificate.



operation, it shall issue an airworthiness certificate. The Authority may prescribe in such certificate the duration of such certificate, the type of service for which the aircraft may be used, and such other terms, conditions, and limitations as are required in the interest of safety. Each such certificate shall be registered by the Authority and shall set forth such information as the Authority may deem advisable. The certificate number, or such other individual designation as may be required by the Authority, shall be displayed upon each aircraft in accordance with regulations prescribed by the Authority.

Air carrier operating  
certificates.

#### AIR CARRIER OPERATING CERTIFICATES

##### Power to Issue

Power to issue.

SEC. 604. (a) The Authority is empowered to issue air carrier operating certificates and to establish minimum safety standards for the operation of the air carrier to whom any such certificate is issued.

##### Issuance

Issuance.

(b) Any person desiring to operate as an air carrier may file with the Authority an application for an air carrier operating certificate. If the Authority finds, after investigation, that such person is properly and adequately equipped and able to conduct a safe operation in accordance with the requirements of this Act and the rules, regulations, and standards prescribed thereunder, it shall issue an air carrier operating certificate to such person. Each air carrier operating certificate shall prescribe such terms, conditions, and limitations as are reasonably necessary to assure safety in air transportation, and shall specify the points to and from which, and the civil airways over which, such person is authorized to operate as an air carrier under an air carrier operating certificate.

Maintenance of  
equipment in air  
transportation.

#### MAINTENANCE OF EQUIPMENT IN AIR TRANSPORTATION

##### Duty of Carriers and Airmen

Duty of carriers and  
airmen.

SEC. 605. (a) It shall be the duty of each air carrier to make, or cause to be made, such inspection, maintenance, overhaul, and repair of all equipment used in air transportation as may be required by this Act, or the orders, rules, and regulations of the Authority issued thereunder. And it shall be the duty of every person engaged in operating, inspecting, maintaining, or overhauling equipment to observe and comply with the requirements of this Act relating thereto, and the orders, rules, and regulations issued thereunder.

##### Inspection

Inspection.

(b) The Authority shall employ inspectors who shall be charged with the duty (1) of making such inspections of aircraft, aircraft engines, propellers, and appliances designed for use in air transportation, during manufacture, and while used by an air carrier in air transportation, as may be necessary to enable the Authority to determine that such aircraft, aircraft engines, propellers, and appliances are in safe condition and are properly maintained for operation in air transportation; and (2) of advising and cooperating with each air carrier in the inspection and maintenance thereof by the air carrier. Whenever any inspector shall, in the performance of his duty, find that any aircraft, aircraft engine, propeller, or appliance, used or intended to be used by any air carrier in air transportation,

is not in condition for safe operation, he shall so notify the carrier, in such form and manner as the Authority may prescribe; and, for a period of five days thereafter, such aircraft, aircraft engine, propeller, or appliance shall not be used in air transportation, or in such manner as to endanger air transportation, unless found by the Authority or its inspector to be in condition for safe operation.

#### AIR NAVIGATION FACILITY RATING

SEC. 606. The Authority is empowered to inspect, classify, and rate any air navigation facility available for the use of civil aircraft of the United States, as to its suitability for such use. The Authority is empowered to issue a certificate for any such air navigation facility.

Air navigation facility rating.

#### AIR AGENCY RATING

SEC. 607. The Authority is empowered to provide for the examination and rating of (1) civilian schools giving instruction in flying or in the repair, alteration, maintenance, and overhaul of aircraft, aircraft engines, propellers, and appliances, as to the adequacy of the course of instruction, the suitability and airworthiness of the equipment, and the competency of the instructors; (2) repair stations or shops for the repair, alteration, maintenance, and overhaul of aircraft, aircraft engines, propellers, or appliances, as to the adequacy and suitability of the equipment, facilities, and materials for, and methods of, repair, alteration, maintenance, and overhaul of aircraft, aircraft engines, propellers, and appliances, and the competency of those engaged in the work or giving any instruction therein; and (3) such other air agencies as may, in its opinion, be necessary in the interest of the public. The Authority is empowered to issue certificates for such schools, repair stations, and other agencies.

Air agency rating.

Civilian schools.

Repair stations, etc.

Other air agencies.

#### FORM OF APPLICATIONS

SEC. 608. Applications for certificates under this title shall be in such form, contain such information, and be filed and served in such manner as the Authority may prescribe, and shall be under oath whenever the Authority so requires.

Form of applications.

#### AMENDMENT, SUSPENSION, AND REVOCATION OF CERTIFICATES

SEC. 609. The Authority may, from time to time, reinspect any aircraft, aircraft engine, propeller, appliance, air navigation facility, or air agency, may reexamine any airman, and, after investigation, and upon notice and hearing, may alter, amend, modify, or suspend, in whole or in part, any type certificate, production certificate, airworthiness certificate, airman certificate, air carrier operating certificate, air navigation facility certificate, or air agency certificate if the interest of the public so requires, or may revoke, in whole or in part, any such certificate for any cause which, at the time of revocation, would justify the Authority in refusing to issue to the holder of such certificate a like certificate. In cases of emergency, any such certificate may be suspended, in whole or in part, for a period not in excess of thirty days, without regard to any requirement as to notice and hearing. The Authority shall immediately give notice of such suspension to the holder of such certificate and shall enter upon a hearing which shall be disposed of as speedily as possible. During the pendency of the proceeding the Authority may further suspend such certificate, in whole or in part, for an additional period not in excess of thirty days.

Amendment, suspension, and revocation of certificates.

Emergencies.

## Prohibitions.

## PROHIBITIONS

## Violations of title.

## Violations of Title

Operation without current airworthiness certificate.

Without airman certificate, etc.

Employment of airman who does not have airman certificate.

Operation as air carrier without air carrier operating certificate.

Operation in violation of any other rule, etc.

## SEC. 610. (a) It shall be unlawful—

(1) For any person to operate in air commerce any civil aircraft for which there is not currently in effect an airworthiness certificate, or in violation of the terms of any such certificate;

(2) For any person to serve in any capacity as an airman in connection with any civil aircraft used in air commerce without an airman certificate authorizing him to serve in such capacity, or in violation of the terms of any such certificate;

(3) For any person to employ for service in connection with any civil aircraft used in air commerce an airman who does not have an airman certificate authorizing him to serve in the capacity for which he is employed;

(4) For any person to operate as an air carrier without an air carrier operating certificate, or in violation of the terms of any such certificate; and

(5) For any person to operate aircraft in air commerce in violation of any other rule, regulation, or certificate of the Authority under this title.

## Exemption of Foreign Aircraft and Airmen

Exemption of foreign aircraft and airmen.

(b) Foreign aircraft and airmen serving in connection therewith may, except with respect to the observance by such airmen of the air traffic rules, be exempted from the provisions of subsection (a) of this section, to the extent, and upon such terms and conditions, as may be prescribed by the Authority as being in the interest of the public.

Title VII—Air Safety Board.

## TITLE VII—AIR SAFETY BOARD

Creation and organization.

## CREATION AND ORGANIZATION OF BOARD

## Appointment of Board

Composition, appointment, etc.

Citizenship requirement.

Terms.

Compensation. No pecuniary interest, etc.

SEC. 701. (a) There is created and established within the Authority an Air Safety Board. Such Board shall consist of three members to be appointed by the President by and with the advice and consent of the Senate. One of the members shall, at the time of his nomination, be an active airline pilot and shall have flown not less than three thousand hours in scheduled air transportation. Each member of the Board shall be a citizen of the United States and shall continue in office as designated by the President at the time of nomination until the last day of the second, fourth, and sixth calendar years, respectively, following the passage of this Act, but their successors shall be appointed for terms of six years, except that any person appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. Any member of the Board may be appointed to succeed himself. The Board shall annually elect one of its members as chairman of the Board. Each member of the Board shall receive a salary of \$7,500 per annum. No member of the Board shall have any pecuniary interest in or own any stock in or bonds of any civil aeronautics enterprise.

## Personnel

Personnel.

5 U. S. C. chs. 12, 13; Supp. III, chs. 12, 13.

(b) Subject to the provisions of the civil-service laws and the Classification Act of 1923, as amended, the Board shall appoint, fix the salaries, and prescribe the duties, of such assistants and other employees as it shall deem necessary in exercising and performing

its powers and duties under this Act. Such of the personnel transferred to the Authority from the Department of Commerce under section 203 of this Act as were regularly employed in the investigation and analysis of accidents in air commerce prior to such transfer may, upon request of the Board, be transferred to the Board.

*Ante*, p. 982.

### Temporary Personnel

(c) The Board may, without regard to the civil-service laws, engage, for temporary service in the investigation of any accident involving aircraft, persons other than officers or employees of the United States and may fix their compensation without regard to the Classification Act of 1923, as amended; and may, with the consent of the head of the executive department or independent establishment under whose jurisdiction the officer or employee is serving, secure for such service any officer or employee of the United States.

Temporary personnel.

42 Stat. 1488.  
5 U. S. C. §§ 661-674;  
Supp. III, §§ 673, 673c.

### Authorization of Expenditures

(d) All expenses incurred by the Board in the investigation of accidents, or for the maintenance or operation of aircraft acquired for the use of the Board, shall be allowed upon vouchers approved by the chairman of the Board. The members and assistants of the Board are authorized to travel in the same manner as employees of the Authority.

Authorization of expenditures.

### Preservation of Records and Reports

(e) The records and reports of the Board shall be preserved in the custody of the secretary of the Authority in the same manner and subject to the same provisions respecting publication as the records and reports of the Authority, except that any publication thereof shall be styled "Air Safety Board of the Civil Aeronautics Authority", and that no part of any report or reports of the Board or the Authority relating to any accident, or the investigation thereof, shall be admitted as evidence or used in any suit or action for damages growing out of any matter mentioned in such report or reports.

Preservation of records and reports.

### DUTIES OF THE BOARD

Duties of the Board.

#### General Duties

SEC. 702. (a) It shall be the duty of the Board to—

General duties.

(1) Make rules and regulations, subject to the approval of the Authority, governing notification and report of accidents involving aircraft;

(2) Investigate such accidents and report to the Authority the facts, conditions, and circumstances relating to each accident and the probable cause thereof;

(3) Make such recommendations to the Authority as, in its opinion, will tend to prevent similar accidents in the future;

(4) Make such reports and recommendations public in such form and manner as may be deemed by it to be in the public interest; and

(5) Assist the Authority in ascertaining what will best tend to reduce or eliminate the possibility of, or recurrence of, accidents by investigating such complaints filed with the Authority or the Board, and by conducting such special studies and investigations, on matters pertaining to safety in air navigation and the prevention of accidents, as may be requested or approved by the Authority.

## Manner of Performance

Manner of performance.

(b) The Board shall exercise and perform its powers and duties independently of the Authority and shall not be assigned any duties in, or in connection with, any other section or unit of the Authority.

## Conduct of Investigations

Conduct of investigations.

(c) In conducting any hearing or investigation, any member of the Board or any other officer or employee of the Board or any other person engaged or secured under subsection (c) of section 701 shall have the same powers as the examiners or other employees of the Authority have with respect to hearings or investigations conducted by the Authority.

## Aircraft

Aircraft.

(d) Any aircraft, aircraft engine, propeller, or appliance affected by, or involved in, an accident in air commerce shall be preserved in accordance with, and shall not be moved except in accordance with, regulations prescribed by the Board.

Title VIII—Other Administrative Agencies.

The President of the United States.

Approval of certificate for overseas service, etc.

*Ante*, p. 991.

Exceptions.

*Ante*, pp. 988, 991.

## TITLE VIII—OTHER ADMINISTRATIVE AGENCIES

## THE PRESIDENT OF THE UNITED STATES

SEC. 801. The issuance, denial, transfer, amendment, cancelation, suspension, or revocation of, and the terms, conditions, and limitations contained in, any certificate authorizing an air carrier to engage in overseas or foreign air transportation, or air transportation between places in the same Territory or possession, or any permit issuable to any foreign air carrier under section 402, shall be subject to the approval of the President. Copies of all applications in respect of such certificates and permits shall be transmitted to the President by the Authority before hearing thereon, and all decisions thereon by the Authority shall be submitted to the President before publication thereof. This section shall not apply to the issuance or denial of any certificate issuable under section 401 (e) or any permit issuable under section 402 (c) or to the original terms, conditions, or limitations of any such certificate or permit.

## THE DEPARTMENT OF STATE

Department of State.

SEC. 802. The Secretary of State shall advise the Authority of, and consult with the Authority concerning, the negotiation of any agreements with foreign governments for the establishment or development of air navigation, including air routes and services.

## WEATHER BUREAU

Weather Bureau.

Observations, etc.

Reports.

SEC. 803. In order to promote the safety and efficiency of aircraft to the highest possible degree, the Chief of the Weather Bureau, under the direction of the Secretary of Agriculture, shall, in addition to any other functions or duties pertaining to weather information for other purposes, (1) make such observations, measurements, investigations, and studies of atmospheric phenomena, and establish such meteorological offices and stations, as are necessary or best suited for ascertaining, in advance, information concerning probable weather conditions; (2) furnish such reports, forecasts, warnings, and advices to the Authority, and to such air carriers and other persons engaged in civil aeronautics as may be designated by the

Authority, and to such other persons as the Chief of the Weather Bureau may determine, and such reports shall be made in such manner and with such frequency as will best result in safety in air navigation; (3) cooperate with any person employed by air carriers in meteorological service; and (4) detail annually not to exceed ten members of the Weather Bureau personnel for training at Government expense, either at civilian institutions or otherwise, in advanced methods of meteorological science: *Provided*, That no such member shall lose his individual status or seniority rating in the Bureau merely by reason of absence due to such training.

Cooperation in meteorological service.  
Training of personnel.

*Proviso.*  
Status.

## TITLE IX—PENALTIES

Title IX—Penalties.

### CIVIL PENALTIES

Civil penalties.

#### Safety and Postal Offenses

SEC. 901. (a) Any person who violates (1) any provision of titles V, VI, and VII of this Act, or any provision of subsection (a) (1) of section 11 of the Air Commerce Act of 1926, as amended, or (2) any rule or regulation issued by the Postmaster General under this Act, shall be subject to a civil penalty of not to exceed \$1,000 for each such violation. Any such penalty may be compromised by the Authority or the Postmaster General, as the case may be. The amount of such penalty, when finally determined, or the amount agreed upon in compromise, may be deducted from any sums owing by the United States to the person charged.

Safety and postal offenses.  
*Ante*, pp. 1005, 1007, 1012.  
44 Stat. 574.  
49 U. S. C. § 181.

Compromise of penalties.

#### Liens

(b) In case an aircraft is involved in such violation and the violation is by the owner or person in command of the aircraft, such aircraft shall be subject to lien for the penalty: *Provided*, That this subsection shall not apply to a violation of a rule or regulation of the Postmaster General.

Liens.

*Proviso.*  
Rules of Postmaster General not affected.

### CRIMINAL PENALTIES

Criminal penalties.

#### General

General.

SEC. 902. (a) Any person who knowingly and willfully violates any provision of this Act (except titles V, VI, and VII), or any order, rule, or regulation issued under any such provision or any term, condition, or limitation of any certificate or permit issued under title IV, for which no penalty is otherwise herein provided, shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject for the first offense to a fine of not more than \$500, and for any subsequent offense to a fine of not more than \$2,000. If such violation is a continuing one, each day of such violation shall constitute a separate offense.

Willful violation of provisions; exceptions.  
*Ante*, pp. 1005, 1007, 1012.

*Ante*, p. 987.

#### Forgery of Certificates

(b) Any person who knowingly and willfully forges, counterfeits, alters, or falsely makes any certificate authorized to be issued under this Act, or knowingly uses or attempts to use any such fraudulent certificate, shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not exceeding \$1,000 or to imprisonment not exceeding three years, or to both such fine and imprisonment.

Forgery of certificates.

## Interference With Air Navigation

Interference with air navigation.

(c) A person shall be subject to a fine of not exceeding \$5,000 or to imprisonment not exceeding five years, or to both such fine and imprisonment, who—

(1) with intent to interfere with air navigation within the United States, exhibits within the United States any light or signal at such place or in such manner that it is likely to be mistaken for a true light or signal established pursuant to this Act, or for a true light or signal in connection with an airport or other air navigation facility; or

(2) after due warning by the Administrator, continues to maintain any misleading light or signal; or

(3) knowingly removes, extinguishes, or interferes with the operation of any such true light or signal.

## Granting Rebates

Granting rebates.

(d) Any air carrier or foreign air carrier, or any officer, agent, employee, or representative thereof, who shall, knowingly and willfully, offer, grant, or give, or cause to be offered, granted, or given, any rebate or other concession in violation of the provisions of this Act, or who, by any device or means, shall, knowingly and willfully, assist, or shall willingly suffer or permit, any person to obtain transportation or services subject to this Act at less than the rates, fares, or charges lawfully in effect, shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be subject for each offense to a fine of not less than \$100 and not more than \$5,000.

## Failure to File Reports; Falsification of Records

Failure to file reports.

(e) Any air carrier, or any officer, agent, employee, or representative thereof, who shall, knowingly and willfully, fail or refuse to make a report to the Authority as required by this Act, or to keep or preserve accounts, records, and memoranda in the form and manner prescribed or approved by the Authority, or shall, knowingly and willfully, falsify, mutilate, or alter any such report, account, record, or memorandum, or shall knowingly and willfully file any false report, account, record, or memorandum, shall be deemed guilty of a misdemeanor and, upon conviction thereof, be subject for each offense to a fine of not less than \$100 and not more than \$5,000.

Falsification, etc., of records.

## Divulging Information

Divulging information.

(f) If any member of the Authority or the Air Safety Board, or the Administrator, or any officer or employee of any of them, shall knowingly and willfully divulge any fact or information which may come to his knowledge during the course of an examination of the accounts, records, and memoranda of any air carrier, or which is withheld from public disclosure under section 1104, except as he may be directed by the Authority, or the Air Safety Board in the case of information ordered to be withheld by it, or by a court of competent jurisdiction or a judge thereof, he shall upon conviction thereof be subject for each offense to a fine of not more than \$5,000 or imprisonment for not more than two years, or both.

Post, p. 1026.

## Refusal to Testify

Refusal to testify.

(g) Any person who shall neglect or refuse to attend and testify, or to answer any lawful inquiry, or to produce books, papers, or

documents, if in his power to do so, in obedience to the subpoena or lawful requirement of the Authority or the Air Safety Board, shall be guilty of a misdemeanor and, upon conviction thereof, shall be subject to a fine of not less than \$100 nor more than \$5,000, or imprisonment for not more than one year, or both.

#### VENUE AND PROSECUTION OF OFFENSES

Venue and prosecution of offenses.

##### Venue

SEC. 903. (a) The trial of any offense under this Act shall be in the district in which such offense is committed; or if the offense is committed upon the high seas, or out of the jurisdiction of any particular State or district, the trial shall be in the district where the offender may be found or into which he shall be first brought. Whenever the offense is begun in one jurisdiction and completed in another it may be dealt with, inquired of, tried, determined, and punished in either jurisdiction in the same manner as if the offense had been actually and wholly committed therein.

Venue.

#### Procedure in Respect of Civil Penalties

(b) (1) Any civil penalty imposed under this Act may be collected by proceedings in personam against the person subject to the penalty and, in case the penalty is a lien, by proceedings in rem against the aircraft, or by either method alone. Such proceedings shall conform as nearly as may be to civil suits in admiralty, except that either party may demand trial by jury of any issue of fact, if the value in controversy exceeds \$20, and the facts so tried shall not be reexamined other than in accordance with the rules of the common law. The fact that in a libel in rem the seizure is made at a place not upon the high seas or navigable waters of the United States shall not be held in any way to limit the requirement of the conformity of the proceedings to civil suits in rem in admiralty.

Procedure in respect of civil penalties.

(2) Any aircraft subject to such lien may be summarily seized by and placed in the custody of such persons as the Authority may by regulation prescribe, and a report of the cause shall thereupon be transmitted to the United States attorney for the judicial district in which the seizure is made. The United States attorney shall promptly institute proceedings for the enforcement of the lien or notify the Authority of his failure so to act.

Seizure of aircraft.

(3) The aircraft shall be released from such custody upon payment of the penalty or the amount agreed upon in compromise; or seizure in pursuance of process of any court in proceedings in rem for enforcement of the lien, or notification by the United States attorney of failure to institute such proceedings; or deposit of a bond in such amount and with such sureties as the Authority may prescribe, conditioned upon the payment of the penalty or the amount agreed upon in compromise.

Release.

(4) The Supreme Court of the United States, and under its direction other courts of the United States, may prescribe rules regulating such proceedings in any particular not provided by law.

Supreme Court, etc., may prescribe administrative rules.

#### TITLE X—PROCEDURE

Title X—Procedure.

##### CONDUCT OF PROCEEDINGS

SEC. 1001. The Authority may conduct its proceedings in such manner as will be conducive to the proper dispatch of business and to the ends of justice. No member of the Authority shall participate in any

Conduct of proceedings.



hearing or proceeding in which he has a pecuniary interest. Any person may appear before the Authority and be heard in person or by attorney. Every vote and official act of the Authority shall be entered of record, and its proceedings shall be open to the public upon the request of any interested party unless the Authority determines that secrecy is requisite on grounds of national defense.

Complaints to and investigations by the Authority.

#### COMPLAINTS TO AND INVESTIGATIONS BY THE AUTHORITY

##### Filing of Complaints Authorized

Filing of complaints authorized.

SEC. 1002. (a) Any person may file with the Authority a complaint in writing with respect to anything done or omitted to be done by any person in contravention of any provision of this Act, or of any requirement established pursuant thereto. If the person complained against shall not satisfy the complaint and there shall appear to be any reasonable ground for investigating the complaint, it shall be the duty of the Authority to investigate the matters complained of. Whenever the Authority is of the opinion that any complaint does not state facts which warrant an investigation or action on its part, it may dismiss such complaint without hearing.

##### Investigations on Initiative of Authority

Investigations on initiative of Authority.

(b) The Authority is empowered at any time to institute an investigation, on its own initiative, in any case and as to any matter or thing concerning which complaint is authorized to be made to or before the Authority by any provision of this Act, or concerning which any question may arise under any of the provisions of this Act, or relating to the enforcement of any of the provisions of this Act. The Authority shall have the same power to proceed with any investigation instituted on its own motion as though it had been appealed to by complaint.

##### Entry of Orders for Compliance With Act

Entry of orders for compliance with Act.

(c) If the Authority finds, after notice and hearing, in any investigation instituted upon complaint or upon its own initiative, that any person has failed to comply with any provision of this Act or any requirement established pursuant thereto, the Authority shall issue an appropriate order to compel such person to comply therewith.

##### Power to Prescribe Rates and Practices of Air Carriers

Power to prescribe rates and practices of air carriers.

(d) Whenever, after notice and hearing, upon complaint, or upon its own initiative, the Authority shall be of the opinion that any individual or joint rate, fare, or charge demanded, charged, collected or received by any air carrier for interstate or overseas air transportation, or any classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of the service thereunder, is or will be unjust or unreasonable, or unjustly discriminatory, or unduly preferential, or unduly prejudicial, the Authority shall determine and prescribe the lawful rate, fare, or charge (or the maximum or minimum, or the maximum and minimum thereof) thereafter to be demanded, charged, collected, or received, or the lawful classification, rule, regulation, or practice thereafter to be made effective: *Provided*, That as to rates, fares, and charges for overseas air transportation, the Authority shall determine and prescribe only a just and reasonable maximum or minimum or maximum and minimum rate, fare, or charge.

*proviso.*  
Overseas transportation; rates, fares, etc.

### Rule of Rate Making

(e) In exercising and performing its powers and duties with respect to the determination of rates for the carriage of persons or property, the Authority shall take into consideration, among other factors—

Rule of rate making.

(1) The effect of such rates upon the movement of traffic;

(2) The need in the public interest of adequate and efficient transportation of persons and property by air carriers at the lowest cost consistent with the furnishing of such service;

(3) Such standards respecting the character and quality of service to be rendered by air carriers as may be prescribed by or pursuant to law;

(4) The inherent advantages of transportation by aircraft; and

(5) The need of each air carrier for revenue sufficient to enable such air carrier, under honest, economical, and efficient management, to provide adequate and efficient air carrier service.

### Removal of Discrimination in Foreign Air Transportation

Foreign air transportation.

(f) Whenever, after notice and hearing, upon complaint, or upon its own initiative, the Authority shall be of the opinion that any individual or joint rate, fare, or charge demanded, charged, collected, or received by any air carrier or foreign air carrier for foreign air transportation, or any classification, rule, regulation, or practice affecting such rate, fare, or charge or the value of the service thereunder, is or will be unjustly discriminatory, or unduly preferential, or unduly prejudicial, the Authority may alter the same to the extent necessary to correct such discrimination, preference, or prejudice and make an order that the air carrier or foreign air carrier shall discontinue demanding, charging, collecting, or receiving any such discriminatory, preferential, or prejudicial rate, fare, or charge, or enforcing any such discriminatory, preferential, or prejudicial classification, rule, regulation, or practice.

Removal of discrimination.

### Suspension of Rates

(g) Whenever any air carrier shall file with the Authority a tariff stating a new individual or joint (between air carriers) rate, fare, or charge for interstate or overseas air transportation or any classification, rule, regulation, or practice affecting such rate, fare, or charge, or the value of the service thereunder, the Authority is empowered, upon complaint or upon its own initiative, at once, and, if it so orders, without answer or other formal pleading by the air carrier, but upon reasonable notice, to enter upon a hearing concerning the lawfulness of such rate, fare, or charge, or such classification, rule, regulation, or practice; and pending such hearing and the decision thereon, the Authority, by filing with such tariff, and delivering to the air carrier affected thereby, a statement in writing of its reasons for such suspension, may suspend the operation of such tariff and defer the use of such rate, fare, or charge, or such classification, rule, regulation, or practice, for a period of ninety days, and, if the proceeding has not been concluded and a final order made within such period, the Authority may, from time to time, extend the period of suspension, but not for a longer period in the aggregate than one hundred and eighty days beyond the time when such tariff would otherwise go into effect; and, after hearing, whether completed before or after the rate, fare, charge, classification, rule, regulation, or practice goes into effect, the Authority may make such order with reference thereto as would be proper in a proceeding

Suspension of rates.

*Proviso.*  
Initial tariff filed by  
carrier.

instituted after such rate, fare, charge, classification, rule, regulation, or practice had become effective. If the proceeding has not been concluded and an order made within the period of suspension, the proposed rate, fare, charge, classification, rule, regulation, or practice shall go into effect at the end of such period: *Provided*, That this subsection shall not apply to any initial tariff filed by any air carrier.

#### Power to Prescribe Divisions of Rates

Power to prescribe  
divisions of rates.

(h) Whenever, after notice and hearing, upon complaint or upon its own initiative, the Authority is of the opinion that the divisions of joint rates, fares, or charges for air transportation are or will be unjust, unreasonable, inequitable, or unduly preferential or prejudicial as between the air carriers or foreign air carriers parties thereto, the Authority shall prescribe the just, reasonable, and equitable divisions thereof to be received by the several air carriers. The Authority may require the adjustment of divisions between such air carriers from the date of filing the complaint or entry of order of investigation, or such other date subsequent thereto as the Authority finds to be just, reasonable, and equitable.

#### Power to Establish Through Air Transportation Service

Power to establish  
through air transpor-  
tation service.

*Proviso.*  
Overseas air trans-  
portation, joint rates,  
fares, etc.

(i) The Authority shall, whenever required by the public convenience and necessity, after notice and hearing, upon complaint or upon its own initiative, establish through service and joint rates, fares, or charges (or the maxima or minima, or the maxima and minima thereof) for interstate or overseas air transportation, or the classifications, rules, regulations, or practices affecting such rates, fares, or charges, or the value of the service thereunder, and the terms and conditions under which such through service shall be operated: *Provided*, That as to joint rates, fares, and charges for overseas air transportation the Authority shall determine and prescribe only just and reasonable maximum or minimum or maximum and minimum joint rates, fares, or charges.

Joint boards.

#### JOINT BOARDS

#### Designation of Boards

Designation of  
boards.

SEC. 1003. (a) The Authority and the Interstate Commerce Commission shall direct their respective chairmen to designate, from time to time, a like number of members of each to act as a joint board to consider and pass upon matters referred to such board as provided in subsection (c) of this section.

#### Through Service and Joint Rates

Through service  
and joint rates.

24 Stat. 379.  
49 U. S. C. chs. 1, 2.  
49 Stat. 543.  
49 U. S. C., Supp.  
III, §§ 301-327.

(b) Air carriers may establish reasonable through service and joint rates, fares, and charges with other common carriers. In case of through service by air carriers and common carriers subject to the Interstate Commerce Act or the Motor Carrier Act, 1935, it shall be the duty of the carriers parties thereto to establish just and reasonable joint rates, fares, or charges and just and reasonable classifications, rules, regulations, and practices affecting such joint rates, fares, or charges, or the value of the service thereunder, and just, reasonable, and equitable divisions of such joint rates, fares, or charges as between the carriers participating therein. Any air carrier, and any common carrier subject to the Interstate Commerce Act or the Motor Carrier Act, 1935, which is participating in such through service and joint rates, fares, or charges, shall include in its tariffs, filed with the Authority or the Interstate Commerce Commission, as the case may be, a statement showing such through service and joint rates, fares, or charges.

### Jurisdiction of Boards

(c) Matters relating to such through service and joint rates, fares, or charges may be referred by the Authority or the Interstate Commerce Commission, upon complaint or upon its own initiative, to a joint board created as provided in subsection (a). Complaints may be made to the Interstate Commerce Commission or the Authority with respect to any matter which may be referred to a joint board under this subsection.

Jurisdiction of boards.

### Power of Boards

(d) With respect to matters referred to any joint board as provided in subsection (c), if such board finds, after notice and hearing, that any such joint rate, fare, or charge, or classification, rule, regulation, or practice, affecting such joint rate, fare, or charge or the value of the service thereunder is or will be unjust, unreasonable, unjustly discriminatory, or unduly preferential or prejudicial, or that any division of any such joint rate, fare, or charge, is or will be unjust, unreasonable, inequitable, or unduly preferential or prejudicial as between the carriers parties thereto, it is authorized and directed to take the same action with respect thereto as the Authority is empowered to take with respect to any joint rate, fare, or charge, between air carriers, or any divisions thereof, or any classification, rule, regulation, or practice affecting such joint rate, fare, or charge or the value of the service thereunder.

Power of boards.

### Judicial Enforcement and Review

(e) Orders of the joint boards shall be enforceable and reviewable as provided in this Act with respect to orders of the Authority.

Judicial enforcement and review.

### EVIDENCE

Evidence.

### Power to Take Evidence

SEC. 1004. (a) Any member or examiner of the Authority, when duly designated by the Authority for such purpose, may hold hearings, sign and issue subpoenas, administer oaths, examine witnesses, and receive evidence at any place in the United States designated by the Authority. In all cases heard by an examiner or a single member the Authority shall hear or receive argument on request of either party.

Power to take, etc.

### Power to Issue Subpena

(b) For the purposes of this Act the Authority shall have the power to require by subpoena the attendance and testimony of witnesses and the production of all books, papers, and documents relating to any matter under investigation. Witnesses summoned before the Authority shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

Power to issue subpoena.

Witnesses, fees and mileage.

### Enforcement of Subpena

(c) The attendance of witnesses, and the production of books, papers, and documents, may be required from any place in the United States, at any designated place of hearing. In case of disobedience to a subpoena, the Authority, or any party to a proceeding before the Authority, may invoke the aid of any court of the United States in requiring attendance and testimony of witnesses and the production of such books, papers, and documents under the provisions of this section.

Enforcement of subpoena.

## Contempt

## Contempt.

(d) Any court of the United States within the jurisdiction of which an inquiry is carried on may, in case of contumacy or refusal to obey a subpoena issued to any person, issue an order requiring such person to appear before the Authority (and produce books, papers, or documents if so ordered) and give evidence touching the matter in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

## Deposition

## Deposition.

(e) The Authority may order testimony to be taken by deposition in any proceeding or investigation pending before it, at any stage of such proceeding or investigation. Such depositions may be taken before any person designated by the Authority and having power to administer oaths. Reasonable notice must first be given in writing by the party or his attorney proposing to take such deposition to the opposite party or his attorney of record, which notice shall state the name of the witness and the time and place of the taking of his deposition. Any person may be compelled to appear and depose, and to produce books, papers, or documents, in the same manner as witnesses may be compelled to appear and testify and produce like documentary evidence before the Authority, as hereinbefore provided.

## Method of Taking Depositions

## Method of taking depositions.

(f) Every person deposing as herein provided shall be cautioned and shall be required to swear (or affirm, if he so request) to testify the whole truth, and shall be carefully examined. His testimony shall be reduced to writing by the person taking the deposition, or under his direction, and shall, after it has been reduced to writing, be subscribed by the deponent. All depositions shall be promptly filed with the Authority.

## Foreign Depositions

## Foreign depositions.

(g) If a witness whose testimony may be desired to be taken by deposition be in a foreign country, the deposition may be taken, provided the laws of the foreign country so permit, by a consular officer or other person commissioned by the Authority, or agreed upon by the parties by stipulation in writing to be filed with the Authority, or may be taken under letters rogatory issued by a court of competent jurisdiction at the request of the Authority.

## Fees

## Fees.

*Provido.*  
Commissions or letters rogatory.

(h) Witnesses whose depositions are taken as authorized in this Act, and the persons taking the same, shall severally be entitled to the same fees as are paid for like services in the courts of the United States: *Provided*, That with respect to commissions or letters rogatory issued at the initiative of the Authority, executed in foreign countries, the Authority shall pay such fees, charges, or expenses incidental thereto as may be found necessary, in accordance with regulations on the subject to be prescribed by the Authority.

## Compelling Testimony

## Compelling testimony.

(i) No person shall be excused from attending and testifying, or from producing books, papers, or documents before the Authority, or in obedience to the subpoena of the Authority, or in any cause or proceeding, criminal or otherwise, based upon or growing out of any alleged violation of this Act, or of any rule, regulation, requirement,

or order thereunder, or any term, condition, or limitation of any certificate or permit, on the ground, or for the reason, that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no individual shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, documentary or otherwise, except that any individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

#### ORDERS, NOTICES, AND SERVICE

Orders, notices, and service.

#### Effective Date of Orders; Emergency Orders

SEC. 1005. (a) Except as otherwise provided in this Act, all orders, rules, and regulations of the Authority shall take effect within such reasonable time as the Authority may prescribe, and shall continue in force until its further order, rule, or regulation, or for a specified period of time, as shall be prescribed in the order, rule, or regulation: *Provided*, That whenever the Authority is of the opinion that an emergency requiring immediate action exists in respect of safety in air commerce, the Authority is authorized, either upon complaint or upon its own initiative without complaint, at once, if it so orders, without answer or other form of pleading by the interested person or persons, and with or without notice, hearing, or the making or filing of a report, to make such just and reasonable orders, rules, or regulations, as may be essential in the interest of safety in air commerce to meet such emergency: *Provided further*, That the Authority shall immediately initiate proceedings relating to the matters embraced in any such order, rule, or regulation, and shall, insofar as practicable, give preference to such proceedings over all others under this Act.

Effective date of orders.

*Provisos.*  
Emergency orders.

Initiation of proceedings.

#### Designation of Agent for Service

(b) It shall be the duty of every air carrier and foreign air carrier within sixty days after the effective date of this section to designate in writing an agent upon whom service of all notices and process and all orders, decisions, and requirements of the Authority may be made for and on behalf of said carrier, and to file such designation in the office of the secretary of the Authority, which designation may from time to time be changed by like writing similarly filed. Service of all notices and process and orders, decisions, and requirements of the Authority may be made upon such carrier by service upon such designated agent at his office or usual place of residence with like effect as if made personally upon such carrier, and in default of such designation of such agent, service of any notice or other process in any proceeding before said Authority, or of any order, decision, or requirement of the Authority, may be made by posting such notice, process, order, requirement, or decision in the office of the secretary of the Authority.

Designation of agent for service.

#### Other Methods of Service

(c) Service of notices, processes, orders, rules, and regulations upon any person may be made by personal service, or upon an agent designated in writing for the purpose, or by registered mail addressed to such person or agent. Whenever service is made by registered mail, the date of mailing shall be considered as the time when service is made.

Other methods of service.

## Suspension or Modification of Order

Suspension or modification of order.

(d) Except as otherwise provided in this Act, the Authority is empowered to suspend or modify its orders upon such notice and in such manner as it shall deem proper.

## Compliance With Order Required

Compliance required.

(e) It shall be the duty of every person subject to this Act, and its agents and employees, to observe and comply with any order, rule, regulation, or certificate issued by the Authority under this Act affecting such person so long as the same shall remain in effect.

## Form and Service of Orders

Form and service.

(f) Every order of the Authority shall set forth the findings of fact upon which it is based, and shall be served upon the parties to the proceeding and the persons affected by such order.

Judicial review of Authority's orders.

## JUDICIAL REVIEW OF AUTHORITY'S ORDERS

## Orders of Authority Subject to Review

Orders of Authority subject to review; exception.

*Ante*, p. 1014.

SEC. 1006. (a) Any order, affirmative or negative, issued by the Authority under this Act, except any order in respect of any foreign air carrier subject to the approval of the President as provided in section 801 of this Act, shall be subject to review by the circuit courts of appeals of the United States or the United States Court of Appeals for the District of Columbia upon petition, filed within sixty days after the entry of such order, by any person disclosing a substantial interest in such order. After the expiration of said sixty days a petition may be filed only by leave of court upon a showing of reasonable grounds for failure to file the petition theretofore.

## Venue

Venue.

(b) A petition under this section shall be filed in the court for the circuit wherein the petitioner resides or has his principal place of business or in the United States Court of Appeals for the District of Columbia.

## Notice of Authority; Filing of Transcript

Notice of Authority; filing of transcript.

(c) A copy of the petition shall, upon filing, be forthwith transmitted to the Authority by the clerk of the court; and the Authority shall thereupon certify and file in the court a transcript of the record, if any, upon which the order complained of was entered.

## Power of Court

Power of court.

(d) Upon transmittal of the petition to the Authority, the court shall have exclusive jurisdiction to affirm, modify, or set aside the order complained of, in whole or in part, and if need be, to order further proceedings by the Authority. Upon good cause shown, interlocutory relief may be granted by stay of the order or by such mandatory or other relief as may be appropriate: *Provided*, That no interlocutory relief may be granted except upon at least five days' notice to the Authority.

*Proviso.*  
Interlocutory relief.

## Findings of Fact by Authority Conclusive

Findings of fact by Authority conclusive.

(e) The findings of facts by the Authority, if supported by substantial evidence, shall be conclusive. No objection to an order of the Authority shall be considered by the court unless such objection shall

have been urged before the Authority or, if it was not so urged, unless there were reasonable grounds for failure to do so.

#### Certification or Certiorari

(f) The judgment and decree of the court affirming, modifying, or setting aside any such order of the Authority shall be subject only to review by the Supreme Court of the United States upon certification or certiorari as provided in sections 239 and 240 of the Judicial Code.

Certification or certiorari.

28 U. S. C. §§ 346, 347.

#### JUDICIAL ENFORCEMENT

Judicial enforcement.

#### Jurisdiction of Court

SEC. 1007. (a) If any person violates any provision of this Act, or any rule, regulation, requirement, or order thereunder, or any term, condition, or limitation of any certificate or permit issued under this Act, the Authority, its duly authorized agent, or, in the case of a violation of section 401 (a) of this Act, any party in interest, may apply to the district court of the United States, for any district wherein such person carries on his business or wherein the violation occurred, for the enforcement of such provision of this Act, or of such rule, regulation, requirement, order, term, condition, or limitation; and such court shall have jurisdiction to enforce obedience thereto by a writ of injunction or other process, mandatory or otherwise, restraining such person, his officers, agents, employees, and representatives, from further violation of such provision of this Act or of such rule, regulation, requirement, order, term, condition, or limitation, and enjoining upon them obedience thereto.

Jurisdiction of Court.

*Ante*, p. 987.

#### Application for Enforcement

(b) Upon the request of the Authority, it shall be the duty of any district attorney of the United States to whom the Authority may apply to institute in the proper court and to prosecute under the direction of the Attorney General all necessary proceedings for the enforcement of the provisions of this Act or any rule, regulation, requirement, or order thereunder, or any term, condition, or limitation of any certificate or permit, and for the punishment of all violations thereof, and the costs and expenses of such prosecutions shall be paid out of the appropriations for the expenses of the courts of the United States.

Application for enforcement.

#### PARTICIPATION BY AUTHORITY IN COURT PROCEEDINGS

SEC. 1008. Upon request of the Attorney General, the Authority shall have the right to participate in any proceeding in court under the provisions of this Act.

Participation by Authority in court proceedings.

#### JOINDER OF PARTIES

SEC. 1009. In any proceeding for the enforcement of the provisions of this Act, or any rule, regulation, requirement, or order thereunder, or any term, condition, or limitation of any certificate or permit, whether such proceedings be instituted before the Authority or be begun originally in any court of the United States, it shall be lawful to include as parties, or to permit the intervention of, all persons interested in or affected by the matter under consideration; and inquiries, investigations, orders, and decrees may be made with reference to all such parties in the same manner, to the same extent, and subject to the same provisions of law as they may be made with respect to the persons primarily concerned.

Joinder of parties.



Title XI—Miscellaneous.

## TITLE XI—MISCELLANEOUS

### HAZARDS TO AIR COMMERCE

Hazards to air commerce.

SEC. 1101. The Authority shall, by rules and regulations, or by order where necessary, require all persons to give adequate public notice, in the form and manner prescribed by the Authority, of the construction or alteration, or of the proposed construction or alteration, of any structure along or near the civil airways where notice will promote safety in air commerce.

### INTERNATIONAL AGREEMENTS

International agreements.

SEC. 1102. In exercising and performing its powers and duties under this Act, the Authority shall do so consistently with any obligation assumed by the United States in any treaty, convention, or agreement that may be in force between the United States and any foreign country or foreign countries, shall take into consideration any applicable laws and requirements of foreign countries and shall not, in exercising and performing its powers and duties with respect to certificates of convenience and necessity, restrict compliance by any air carrier with any obligation, duty, or liability imposed by any foreign country: *Provided*, That this section shall not apply to any obligation, duty, or liability arising out of a contract or other agreement, heretofore or hereafter entered into between an air carrier, or any officer or representative thereof, and any foreign country, if such contract or agreement is disapproved by the Authority as being contrary to the public interest.

*Provido.*  
Disapproval of contract, etc., by Authority.

### NATURE AND USE OF DOCUMENTS FILED

Nature and use of documents filed.

SEC. 1103. The copies of tariffs, and of all contracts, agreements, understandings, and arrangements filed with the Authority as herein provided, and the statistics, tables, and figures contained in the annual or other reports of air carriers and other persons made to the Authority as required under the provisions of this Act shall be preserved as public records (except as otherwise provided in this Act) in the custody of the secretary of the Authority, and shall be received as prima facie evidence of what they purport to be for the purpose of investigations by the Authority and in all judicial proceedings; and copies of, and extracts from, any of such tariffs, contracts, agreements, understandings, arrangements, or reports, certified by the secretary of the Authority, under the seal of the Authority, shall be received in evidence with like effect as the originals.

### WITHHOLDING OF INFORMATION

Withholding of information.

SEC. 1104. Any person may make written objection to the public disclosure of information contained in any application, report, or document filed pursuant to the provisions of this Act or of information obtained by the Authority, the Administrator, or the Air Safety Board pursuant to the provisions of this Act, stating the grounds for such objection. Whenever such objection is made, the Authority, or the Air Safety Board if the information was obtained by it, shall order such information withheld from public disclosure when, in its judgment, a disclosure of such information would adversely affect the interests of such person and is not required in the interest of the public. The Authority is authorized to withhold publication of records containing secret information affecting national defense.

## COOPERATION WITH GOVERNMENT AGENCIES

SEC. 1105. The Authority, the Administrator, and the Air Safety Board may avail themselves of the assistance of the National Advisory Committee for Aeronautics and any research or technical agency of the United States on matters relating to aircraft fuel and oil and to the design, materials, workmanship, construction, performance, maintenance, and operation of aircraft, aircraft engines, propellers, appliances, and air navigation facilities. Each such agency is authorized to conduct such scientific and technical researches, investigations, and tests as may be necessary to aid the Authority, the Administrator, and the Air Safety Board in the exercise and performance of their powers and duties. Nothing contained in this Act shall be construed to authorize the duplication of the laboratory research activities of any existing governmental agency.

Cooperation with  
Government agencies.

## REMEDIES NOT EXCLUSIVE

SEC. 1106. Nothing contained in this Act shall in any way abridge or alter the remedies now existing at common law or by statute, but the provisions of this Act are in addition to such remedies.

Remedies not ex-  
clusive.

## AMENDMENTS AND REPEALS

SEC. 1107. (a) Section 3964 of the Revised Statutes is hereby amended by adding "and all air routes", after the words "or parts of railroads".

Amendments and  
repeals.

R. S. § 3964.  
39 U. S. C. § 481.

(b) The Act of May 24, 1928, as amended (45 Stat. 728), is further amended by striking out the words "Secretary of Commerce" wherever they appear and inserting in lieu thereof the words "Civil Aeronautics Authority".

45 Stat. 728.  
49 U. S. C. § 211.

(c) The Independent Offices Appropriation Act, 1934, as amended (48 Stat. 283), is further amended by striking out in section 6 thereof the words "any air mail contract or".

48 Stat. 305.  
46 U. S. C. § 891y.

(d) The Act approved February 21, 1925 (43 Stat. 960), as amended by the Act approved August 24, 1935 (49 Stat. 744), and the Act approved August 29<sup>1</sup>, 1937 (50 Stat. 725), is further amended by striking out the words "; and he is authorized, in his discretion, to contract, after advertisement in accordance with law, for the carriage of all classes of mail to, from, or within the Territory of Alaska, by airplane, payment therefor to be made from the appropriation for star-route service in Alaska".

43 Stat. 960; 49 Stat.  
744; 50 Stat. 725.  
39 U. S. C. § 488;  
Supp. III, § 488.

Alaska air-mail serv-  
ice, contracts by Post-  
master General; pro-  
vision repealed.

(e) The ninth paragraph of the Act approved March 3, 1915 (38 Stat. 930), as amended by the Act of March 2, 1929 (45 Stat. 1451; U. S. C., 1934 ed., title 50, sec. 151), is further amended by inserting after the words "naval aeronautics;" in that paragraph the following: "two members from the Civil Aeronautics Authority;"; by striking out the word "eight" in that paragraph and inserting in lieu thereof the word "six", and by striking out the colon after the words "allied sciences" and inserting in lieu thereof a period and the following: "The members of the National Advisory Committee for Aeronautics, not representing governmental agencies, in office on the date of enactment of the Civil Aeronautics Act of 1938, shall continue to serve as members of the Committee until the effective date of section 1107 of the Civil Aeronautics Act of 1938. Upon the expiration of their terms of office, the President is authorized to appoint successors to six of such members for terms of office to expire, as designated by the President at the time of appointment, two at the end of one year, two at the end of three years, and two at the end of five years from December 1, 1938. Successors to those first appointed shall be

38 Stat. 930; 45 Stat.  
1451.  
50 U. S. C. § 151.

National Advisory  
Committee for Aero-  
nautics, service of  
present members.

Appointment of  
successors.

<sup>1</sup> So in original.

appointed by the President for terms of five years from the date of the expiration of the terms of the members whom they succeed, except that any such successor, appointed to fill a vacancy occurring prior to the expiration of a term, shall be appointed only for the unexpired term of the member whom he succeeds:"

38 Stat. 719.  
15 U. S. C. § 45.  
*Ante*, p. 111.

(f) Section 5 (a) of the Federal Trade Commission Act, approved September 26, 1914, as amended (38 Stat. 719; U. S. C., 1934 ed., title 15, sec. 41), is further amended by inserting before the words "and persons" the following: "air carriers and foreign air carriers subject to the Civil Aeronautics Act of 1938,"

38 Stat. 734.  
15 U. S. C. § 21.

(g) Section 11 of the Act of October 15, 1914, as amended (38 Stat. 734; U. S. C., 1934 ed., title 15, sec. 21), is amended by inserting after the word "energy;" the following: "in the Civil Aeronautics Authority where applicable to air carriers and foreign air carriers subject to the Civil Aeronautics Act of 1938;" and by inserting after the word "commission" wherever it appears in that section a comma and the word "authority,"

*Ante*, p. 270.

(h) The Department of Commerce Appropriation Act, 1939, is amended by striking out the words "Secretary of Commerce", wherever they appear in the second paragraph under the heading "Bureau of Air Commerce", and inserting in lieu thereof the words "Administrator in the Civil Aeronautics Authority, with the approval of the Civil Aeronautics Authority".

44 Stat. 568.  
49 U. S. C. §§ 171-184.

(i) The Air Commerce Act of 1926, as amended, is further amended—

(1) By striking out the words "Secretary of Commerce" wherever they appear (except in section 7 and section 11 (a), (b), and (c)) and inserting in lieu thereof in section 6 (c) and section 10 the words "Civil Aeronautics Authority" and in sections 5 (f), 9 (j), and 11 (e) the words "Administrator in the Civil Aeronautics Authority".

(2) By inserting after the word "Act" in the first line of subsection (f) of section 5 the words "or the Civil Aeronautics Act of 1938".

Exclusive sovereignty  
in air space.

(3) By striking out the first sentence of section 6 and inserting in lieu thereof the following: "The United States of America is hereby declared to possess and exercise complete and exclusive national sovereignty in the air space above the United States, including the air space above all inland waters and the air space above those portions of the adjacent marginal high seas, bays, and lakes, over which by international law or treaty or convention the United States exercises national jurisdiction."

(4) By striking out so much of subsection (b) of section 6 as reads "; and if so authorized, such aircraft and airmen serving in connection therewith, shall be subject to the requirements of section 3, unless exempt under subdivision (c) of this section?."

(5) By striking out so much of subsection (c) of section 6 as reads ", and may by regulation exempt such aircraft, and/or airmen serving in connection therewith, from the requirements of section 3, other than the air traffic rules; but no foreign aircraft shall engage in interstate or intrastate air commerce.", and by inserting in lieu thereof a period and the following: "No foreign aircraft shall engage in air commerce otherwise than between any State, Territory, or possession of the United States (including the Philippine Islands) or the District of Columbia, and a foreign country".

(6) By striking out "51 per centum" in subsection (a) of section 9 thereof and inserting in lieu thereof "75 per centum".

(7) By inserting after the word "Act" in subsection (f) of section 9 the words "or the Civil Aeronautics Act of 1938".

(8) By striking out so much of section 10 as reads "under section three".

(9) By striking out so much of subsection (b) of section 11 as reads "any provision of subdivision (a) of this section or any entry or clearance regulation made under section 7 (b)" and inserting in lieu thereof "any entry or clearance regulation made under section 7 (c)".

(j) Section 203 (b) of the Motor Carrier Act, 1935, is amended by inserting after the words "(7) motor vehicles used exclusively in the distribution of newspapers" a semicolon and the following: "or (7a) the transportation of persons or property by motor vehicle when incidental to transportation by aircraft".

(k) Sections 2 (b) (2) and (3), 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, and 21, and so much of section 8 as reads "; and any person not ineligible under the terms of this Act who qualified under the other requirements of this Act, shall be eligible to contract for carrying air mail, notwithstanding the provisions of section 3950 of the Revised Statutes (Act of June 8, 1872)", of the Act of June 12, 1934, as amended (48 Stat. 933); the joint resolution of June 26, 1934 (48 Stat. 1243); the Act of March 8, 1928 (45 Stat. 248), as amended; sections 2, 3, and 3a, subsections (a), (b), (e), and (g) of section 5, the second sentence of section 8, and paragraphs (2), (3), (4), and (5) of subsection (a) of section 11 of the Air Commerce Act of 1926, as amended (44 Stat. 568; U. S. C., 1934 ed., title 49, sec. 177); and all other Acts or parts of Acts inconsistent with any provision of this Act are hereby repealed.

49 Stat. 545.  
49 U. S. C., Supp.  
III, § 303(b).

R. S. § 3950.  
39 U. S. C. § 432.  
48 Stat. 933; *ante*, pp.  
6, 219.  
39 U. S. C., ch. 13;  
Supp. III, ch. 13.  
48 Stat. 1243.  
39 U. S. C. §§ 469a,  
469m; Supp. III, §§  
469a, 469m.  
45 Stat. 248.  
39 U. S. C. §§ 465a,  
465b.  
44 Stat. 568.  
49 U. S. C. ch. 6.

#### EFFECT OF TRANSFERS, REPEALS, AND AMENDMENTS

##### Effectiveness of Existing Orders, Regulations, and So Forth

SEC. 1108. (a) All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges which have been issued, made, or granted by the Interstate Commerce Commission, the Department of Commerce, or the Postmaster General, or any court of competent jurisdiction, under any provision of law repealed or amended by this Act, or in the exercise of duties, powers, or functions transferred to the Authority by this Act, and which are in effect at the time this section takes effect, shall continue in effect until modified, terminated, superseded, set aside, or repealed by the Authority, or by any court of competent jurisdiction, or by operation of law.

Effect of transfers,  
repeals, and amend-  
ments.

Effectiveness of ex-  
isting orders, regula-  
tions, etc.

##### Pending Administrative Proceedings

(b) The provisions of this Act shall not affect any proceedings pending before the Secretary of Commerce or the Postmaster General, or proceedings pending before the Interstate Commerce Commission for the determination of rates for the transportation of air mail by aircraft, on the date of the enactment of this Act; but any such proceedings shall be continued, orders therein issued, appeals therefrom taken, and payments made by the Postmaster General pursuant to such orders, as if this Act had not been enacted; and orders issued in any such proceeding shall continue in effect until modified, terminated, superseded, or repealed by the Authority or by operation of law: *Provided*, That the rates determined by the Interstate Commerce Commission shall be determined without regard to that portion of section 6 (e) of the Air Mail Act approved June 12, 1934, which provides as follows: "which, in connection with the rates fixed by it for all other routes, shall be designed to keep the aggregate cost of the transportation of air mail on and after July 1, 1938, within the limits of the anticipated postal revenue therefrom".

Pending adminis-  
trative proceedings.

*Proviso.*  
Provision disregard-  
ed in determining  
rates.  
48 Stat. 936.  
39 U. S. C. § 469d;  
Supp. III, § 469d.

## Pending Judicial Proceedings

Pending judicial proceedings.

(c) The provisions of this Act shall not affect suits commenced prior to the date of the organization<sup>1</sup> of the Authority; and all such suits shall be continued, proceedings therein had, appeals therein taken, and judgments therein rendered, in the same manner and with the same effect as if this Act had not been passed. No suit, action, or other proceeding lawfully commenced by or against any agency or officer of the United States, in relation to the discharge of official duties, shall abate by reason of any transfer of authority, power, or duties from such agency or officer to the Authority under the provisions of this Act, but the court, upon motion or supplemental petition filed at any time within twelve months after such transfer, showing the necessity for a survival of such suit, action, or other proceeding to obtain a settlement of the questions involved, may allow the same to be maintained by or against the Authority.

## Records Transferred to Authority

Records transferred to Authority.

(d) All records transferred to the Authority under this Act shall be available for use by the Authority to the same extent as if such records were originally records of the Authority.

## SEPARABILITY

Separability of provisions.

SEC. 1109. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby.

## EFFECTIVE DATE

Effective date.  
*Ante*, pp. 980, 1001.

*Proviso.*  
Postponement.

SEC. 1110. The provisions of this Act, except this section, title II, and section 408, shall become effective sixty days after enactment: *Provided*, That the Authority shall, if it finds such action necessary or desirable in the public interest, by general or special order, postpone the effective date of any provision of this Act, except this section, title II, and section 408, to such time as the Authority shall prescribe, but not beyond the one hundred and eightieth day following the enactment of this Act.

Approved, June 23, 1938.

## [CHAPTER 602]

## AN ACT

June 23, 1938  
[H. R. 7693]  
[Public, No. 707]

To authorize the Secretary of War to transfer to the Government of Puerto Rico certain real estate of the War Department.

Puerto Rico.  
Transfer of certain real estate of War Department to Government of.

Description.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of War be, and he is hereby, authorized and directed to transfer to the Government of Puerto Rico portions of lands indicated as "lots 75, 38, 45, and 46" of map entitled "Military Reservation of San Juan, Puerto Rico", prepared by Colonel George L. Byroade, May 5, 1934, as filed in the office of the Quartermaster General, War Department, Washington, District of Columbia, more particularly described as follows:

Lot 75: All that parcel of land marked with "No. 75" on the official map of the Military Reservation of San Juan, Puerto Rico, dated May 5, 1934, compiled by order of Colonel George L. Byroade,

<sup>1</sup> So in original.

Sixty-fifth Infantry, lying south of the Salvador Brau Boulevard and north of the line of the military reservation comprised between corners numbered 62 and 61, more particularly described as follows:

Beginning at the point situated along course numbered 62 to 61 of the military reservation at San Juan, Puerto Rico, and at a distance of nineteen and forty-two one-hundredths meters (sixty-three and seven-tenths feet), and north seventy-six degrees thirty-seven minutes west from point numbered 62 (point numbered 1 of the map); thence along said course numbered 62 to 61 north seventy-six degrees thirty-seven minutes west, a distance of ninety-nine and sixty one-hundredths meters (three hundred and twenty-six and seven-tenths feet) to point numbered 2; thence along the south side of Salvador Brau Boulevard north seventy-six degrees twenty-two minutes thirty seconds east, distance one and two one-hundredths meters (three and three-tenths feet) to corner numbered 3; thence south seventy-nine degrees fifty-five minutes twenty seconds east, distance sixty-five and seventy-seven one-hundredths meters (two hundred and fifteen and seven-tenths feet) to corner numbered 4; thence south seventy-six degrees seventeen minutes ten seconds east and distance seven and seventy-six one-hundredths meters (twenty-five and five-tenths feet) to corner numbered 5; thence south seventy-two degrees nine minutes ten seconds east and distance five and fifty-five one-hundredths meters (eighteen and two-tenths feet) to corner numbered 6; thence south sixty-six degrees thirty-nine minutes thirty seconds east and distance thirteen and sixty one-hundredths meters (forty-four and six-tenths feet) to corner numbered 6; thence south sixty-three degrees forty-nine minutes forty seconds east and distance six and fifty-one one-hundredths meters (twenty-one and four-tenths feet) to point numbered 1 of departure. Contains an area of two hundred and fifty and forty one-hundredths square meters, equal to two thousand six hundred and ninety-five and thirty one-hundredths square feet.

Lot 38: All that parcel of land of triangular shape marked with "No. 38" on the official map of the Military Reservation of San Juan, Puerto Rico, dated May 5, 1934, compiled by order of Colonel George L. Byroade, Sixty-fifth Infantry, located south of Salvador Brau Boulevard and to the north of course numbered 66 to 67 of the main military reservation; more particularly described as follows:

Beginning at point numbered 11 in the course numbered 66-67 of said main reservation, San Juan, Puerto Rico, distant one hundred and fifty and thirty-six one-hundredths meters (four hundred and ninety-three and two-tenths feet) from corner numbered 67; thence along said course numbered 66-67 south eighty-six degrees seven minutes west thirty-nine and sixty-five one-hundredths meters (one hundred and thirty and one-tenth feet) to point numbered 11'; thence along the south side of Salvador Brau Boulevard north seventy-two degrees fifty-three minutes ten seconds east forty and seventy-nine one-hundredths meters (one hundred and thirty-three and eight-tenths feet) to point numbered 12 in course numbered 10-11 of the parcel of land transferred to the people of Puerto Rico by proclamation of the President dated November 17, 1911; thence along said course numbered 10-11 south three degrees fifty-three minutes east nine and fifty-nine one-hundredths meters (thirty-one and five-tenths feet) to point numbered 11 of departure. Contains an area of one hundred and ninety and twelve one-hundredths square meters equal to two thousand forty-six and forty-five one-hundredths square feet.

Lot 45: All that parcel of land of triangular shape marked with "No. 45" on the official plan of the Military Reservation of San Juan, Puerto Rico, dated May 5, 1934, compiled by order of Colonel George L. Byroade, Sixty-fifth Infantry, situated south of Salvador Brau

Boulevard and to the north of courses numbered 74-73, 73-72 of said military reservation, more particularly described as follows:

Beginning at corner numbered 73 of said main military reservation and along course numbered 73-72 north fifty-five degrees west one hundred and two and ninety-five one-hundredths meters (three hundred and thirty-seven and seven-tenths feet) to point numbered 13; thence along the south side of Salvador Brau Boulevard south sixty-three degrees three minutes thirty seconds east one hundred and forty-seven and seventy-two one-hundredths meters (four hundred and eighty-four and five-tenths feet) to point numbered 14, situated in course numbered 73-74 of said main reservation and at a distance of twenty-four and ninety one-hundredths meters (eighty hundred and seventeen feet) from corner numbered 74; thence along said course numbered 74-73 bordering an old masonry wall north seventy-eight degrees fifty-five minutes west forty-seven and forty one-hundredths meters (one hundred and fifty-five and five-tenths feet) to corner numbered 73 or point of departure. Contains an area of nine hundred and fifty-six and sixty-one one-hundredths square meters, equal to ten thousand two hundred and ninety-six and ninety-five one-hundredths square feet.

Lot 46: All that parcel of land of triangular shape marked with "No. 46" in the official plan of the Military Reservation of San Juan, Puerto Rico, compiled by order of Colonel George L. Byroade, Sixty-fifth Infantry, situated to the south of Salvador Brau Boulevard and to the north of course numbered 76-75 of said main military reservation more particularly described as follows:

Beginning at corner numbered 76 of said main military reservation thence along course numbered 76-75, north eighty-eight degrees fifty minutes west fifteen and sixty one-hundredths meters (fifty-one and two-tenths feet) to point numbered 15; thence along south side of Salvador Brau Boulevard north seventy-two degrees one minute and thirty seconds east five and ninety-three one-hundredths meters (nineteen and five-tenths feet) to point numbered 16; thence north fifty-seven degrees fifty-five minutes and thirty seconds east four and forty-three one-hundredths meters (fourteen and five-tenths feet) to point numbered 17; thence north fifty-four degrees thirty-six minutes and twenty seconds east four and sixty-six one-hundredths meters (fifteen and three-tenths feet) to point numbered 18; thence north forty-three degrees fifty-five minutes and twenty seconds east four and eighty-nine one-hundredths meters (sixteen feet) to point numbered 19; in the prolongation toward the north of course numbered 77-76 of said main military reservation; thence along said prolongation of course numbered 77-76 bordering the parcel of land occupied by the United States Navy Radio Station south five degrees sixteen minutes west a distance of ten and seventy-seven one-hundredths meters (thirty-five and three-tenths feet) to corner numbered 76 or point of departure. Contains an area of sixty-four and twenty-four one-hundredths square meters equal to six hundred ninety-one and forty-eight one-hundredths square feet: *Provided*, That the Secretary of War is authorized to make such deviations in the descriptions of the lands involved as may be necessary to carry out the purpose and intent of this Act.

*Proviso.*  
Deviations in descriptions authorized.

Approved, June 23, 1938.

[CHAPTER 603]

AN ACT

To provide for the leasing of State, county, and privately owned lands for the purpose of furthering the orderly use, improvement, and development of grazing districts.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Interior in his discretion is authorized to lease at rates to be determined by him any State, county, or privately owned lands chiefly valuable for grazing purposes and lying within the exterior boundaries of a grazing district when, in his judgment, the leasing of such lands will promote the orderly use of the district and aid in conserving the forage resources of the public lands therein: *Provided*, That no such leases shall run for a period of more than ten years and in no event shall the grazing fees paid the United States for the grazing privileges on any of the lands leased under the provisions of this section be less than the rental paid by the United States for any of such lands: *Provided further*, That nothing in this section shall be construed as authorizing the appropriation of any moneys except that moneys heretofore or hereafter appropriated for construction, purchase, and maintenance of range improvements within grazing districts, pursuant to the provisions of sections 10 and 11 of the Act of June 28, 1934 (48 Stat. 1269), as amended June 26, 1936 (49 Stat. 1976), may be made additionally available by Congress for the leasing of land under this Act.

SEC. 2. That the lands leased under this Act shall be administered under the provisions of the Act of June 28, 1934 (48 Stat. 1269), as amended June 26, 1936 (49 Stat. 1976), commonly known as the Taylor Grazing Act.

SEC. 3. That contributions received by the Secretary of the Interior under section 9 of the Act of June 28, 1934 (48 Stat. 1269), as amended June 26, 1936 (49 Stat. 1976), toward the administration, protection, and improvement of any district shall be additionally available for the leasing of lands under this Act.

SEC. 4. All moneys received by the Secretary of the Interior in the administration of leased lands as provided in section 2 of this Act shall be deposited in the Treasury of the United States as miscellaneous receipts, but are hereby made available, when appropriated by the Congress, for the leasing of lands under this Act and shall not be distributed as provided under sections 10 and 11 of the Act of June 28, 1934 (48 Stat. 1269), as amended June 26, 1936 (49 Stat. 1976).

Approved, June 23, 1938.

[CHAPTER 604]

AN ACT

For the relief of the State of Connecticut.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the State of Connecticut be, and it is hereby, relieved from all responsibility and accountability for certain quartermaster and other property to the approximate value of \$4,220.49, the property of the War Department in possession of the Connecticut National Guard, which was lost, destroyed, or used for emergency relief work incident to the Connecticut floods of March 1936, and other relief work; and the Secretary of War is hereby authorized and directed to terminate all further accountability for said property.

Approved, June 23, 1938.

June 23, 1938  
[H. R. 7874]  
[Public, No. 708]

Lease of State, etc.,  
lands lying within  
boundaries of grazing  
districts.

*Provisos.*  
Duration of leases.  
Grazing fees.

Availability of  
funds.

48 Stat. 1273; 49  
Stat. 1978.  
43 U. S. C. §§ 315i, j;  
Supp. III, § 315i.

Administration.  
48 Stat. 1269; 49  
Stat. 1976.  
43 U. S. C. § 315;  
Supp. III, § 315.

Contributions; avail-  
ability.  
48 Stat. 1273.  
43 U. S. C. § 315h.

Deposit of receipts;  
availability.

June 23, 1938  
[H. R. 9981]  
[Public, No. 709]

State of Connecti-  
cut.  
Release from ac-  
countability for cer-  
tain Federal property.



## [CHAPTER 644]

## AN ACT

June 24, 1938  
[S. 4044]  
[Public, No. 710]

To authorize the President to permit citizens of the American republics to receive instruction at professional educational institutions and schools maintained and administered by the Government of the United States or by departments or agencies thereof.

American republics.  
Attendance of citizens of, at Government schools, etc.

Provisos.  
Compliance with regulations.

Limitations.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the President be, and he hereby is, authorized, in his discretion and under such regulations as he may prescribe by Executive order, to permit citizens of the American republics to receive instruction, with or without charge therefor, at professional educational institutions and schools maintained and administered by the Government of the United States or by departments or agencies thereof: *Provided*, That such citizens shall agree to comply with all regulations for the government of the institutions and schools at which they may be under instruction and to exert every effort to accomplish successfully the courses of instruction prescribed: *And provided further*, That the regulations prescribed by the President under the authority of this Act shall contain provisions limiting the admission of citizens of the American republics to primary schools maintained and administered by the Government of the United States so that there will under no circumstances be any curtailment of the admission of citizens of the United States eligible to receive instruction therein and not more than one citizen of any American republic shall receive instruction at the same time in the United States Military Academy and not more than one in the United States Naval Academy.

Approved, June 24, 1938.

## [CHAPTER 645]

## AN ACT

June 24, 1938  
[S. 4036]  
[Public, No. 711]

Relating to the tribal and individual affairs of the Osage Indians of Oklahoma.

Osage Indians of Oklahoma.  
Quarterly payments to adult members without competency certificate.

To legal guardians.

Provisos.  
If Indian's surplus funds exceed \$10,000.

If less than \$10,000.

Payment of taxes, etc.

Payment of additional funds upon application, etc., of restricted Indians.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That hereafter the Secretary of the Interior shall cause to be paid to each adult member of the Osage Tribe of Indians not having a certificate of competency his or her pro rata share, either as a member of the tribe or heir or devisee of a deceased member, of the interest on trust funds, the bonus received from the sale of oil or gas leases, and the royalties therefrom received during each fiscal quarter, not to exceed \$1,000 per quarter; and if such adult member has a legal guardian, his current income not to exceed \$1,000 per quarter may be paid to such legal guardian in the discretion of the Secretary of the Interior: *Provided*, That when an adult restricted Indian has surplus funds in excess of \$10,000 there shall be paid such Indian sufficient funds from his accumulated surplus in addition to his current income to aggregate \$1,000 quarterly; but in the event of any adult restricted Indian has surplus funds of less than \$10,000, such Indian shall receive quarterly only his current income not to exceed \$1,000 per quarter: *Provided further*, That the Secretary of the Interior is hereby authorized to and may in his discretion pay out of any money heretofore accrued or hereafter accruing to the credit of any person of Osage Indian blood who does not have a certificate of competency or who is one-half or more Osage Indian blood, all of said person's taxes of every kind and character, for which said person is now or hereafter may be liable, before paying to or for such person any funds as required by law: *And provided further*, That upon application and consent of any restricted Osage Indian the Secretary of the Interior may cause payment to be made of additional

funds from the accumulated surplus to the credit of any Osage Indian under such rules and regulations as he may prescribe. Rentals due such adult members from their lands and their minor children's lands and all income from such adults' investments, including interest on deposits to their credit, shall be paid to them in addition to the current allowances above provided.

Whenever minor members of the Osage Tribe of Indians have funds or property subject to the control or supervision of the Secretary of the Interior, the said Secretary may in his discretion pay or cause to be paid to the parents, legal guardian, or any person, school, or institution having actual custody of such minors, such amounts out of the income or funds of the said minors as he deems necessary, and when such a minor is eighteen years of age or over, the Secretary of the Interior may in his discretion cause disbursement of funds for support and maintenance or other specific purposes to be made direct to such minor.

SEC. 2. There is authorized to be appropriated from funds on deposit to the credit of the Osage Tribe of Indians not to exceed \$10,000 annually to pay per diems to, and traveling expenses of, the members of the Osage Tribal Council in making necessary trips to the city of Washington and other places in connection with Osage tribal affairs. Expenditures from appropriations made pursuant to this authorization shall be in accordance with rules and regulations to be prescribed by the Secretary of the Interior.

SEC. 3. That section 1 of the Act of Congress of March 2, 1929 (45 Stat. L. 1478), relating to the Osage Indians of Oklahoma, be, and the same is hereby, amended to read as follows:

"That all that part of the Act of June 28, 1906 (34 Stat. L. 539), entitled 'An Act for the division of the lands and funds of the Osage Indians in Oklahoma, and for other purposes', which reserves to the Osage Tribe the oil, gas, coal, or other minerals, covered by the lands for the selection and division of which provision is made in that Act is hereby amended so that the oil, gas, coal, or other minerals, covered by said lands are reserved to the Osage Tribe, until the 8th day of April, 1983, unless otherwise provided by Act of Congress, and all royalties and bonuses arising therefrom shall belong to the Osage Tribe of Indians, and shall be disbursed to members of the Osage Tribe or their heirs or assigns as now provided by law, after reserving such amounts as are now or may hereafter be authorized by Congress for specific purposes.

"The lands, moneys, and other properties now or hereafter held in trust or under the supervision of the United States for the Osage Tribe of Indians, the members thereof, or their heirs and assigns, shall continue subject to such trusts and supervision until January 1, 1984, unless otherwise provided by Act of Congress.

"The Secretary of the Interior and the Osage tribal council are hereby authorized and directed to offer for lease for oil, gas, and other mining purposes any unleased portion of said land in such quantities and at such times as may be deemed for the best interest of the Osage Tribe of Indians: *Provided*, That not less than twenty-five thousand acres shall be offered for lease for oil- and gas-mining purposes during any one year: *Provided further*, That as to all lands hereafter leased, the regulations governing same and the leases issued thereon shall contain appropriate provisions for the conservation of the natural gas for its economic use, to the end that the highest percentage of ultimate recovery of both oil and gas may be secured: *Provided, however*, That nothing herein contained shall be construed as affecting any valid existing lease for oil or gas or other minerals, but all such leases shall continue as long as gas, oil, or other minerals are found in paying quantities.

Rentals.

Funds of minor members, payments therefrom to custodians, etc.

Direct payments on attaining age of 18 years.

Appropriation authorized for travel expenses of Tribal Council.

45 Stat. 1478.

Oil, etc., lands reserved to Tribe until April 8, 1983.  
34 Stat. 539.

Disbursement of royalties, etc., to tribe members.

Continuation of trusts, etc., on certain properties.

Offering of certain unleased lands for oil, gas, etc., leases.

Provisos.  
Minimum yearly offering.

Conservation provisions in leases.

Valid existing leases.

Homesteads of Indians without competency certificates, tax exemption.

*Proviso.*  
Limitation on area.

"Homestead allotments of Osage Indians not having a certificate of competency shall remain exempt from taxation while the title remains in the original allottee of one-half or more of Osage Indian blood and in his unallotted heirs or devisees of one-half or more of Osage Indian blood until January 1, 1984: *Provided*, That the tax-exempt land of any such Indian allottee, heir, or devisee shall not at any time exceed one hundred and sixty acres."

Approved, June 24, 1938.

[CHAPTER 646]

AN ACT

June 24, 1938  
[S. 4011]  
[Public, No. 712]

To extend the time for completing the construction of a bridge across the Mississippi River at or near a point between Cherokee and Osage Streets, Saint Louis, Missouri.

Mississippi River.  
Time extended for  
bridging, at Saint  
Louis, Mo.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the time for completing the construction of a bridge across the Mississippi River, at or near a point between Cherokee and Osage Streets, Saint Louis, Missouri, authorized to be built by H. C. Brenner Realty and Finance Corporation, its successors and assigns, by an Act of Congress approved February 13, 1931, and revived and reenacted by an Act of August 30, 1935, is hereby extended three years from August 30, 1938.

46 Stat. 1095; 49 Stat.  
1061.

Amendment.

SEC. 2. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, June 24, 1938.

[CHAPTER 647]

AN ACT

June 24, 1938  
[S. 4007]  
[Public, No. 713]

Authorizing the county of Lawrence, Kentucky, to construct, maintain, and operate a free highway bridge across the Big Sandy River at or near Louisa, Kentucky.

Big Sandy River.  
Lawrence County,  
Ky., may bridge, at  
Louisa.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes, the county of Lawrence, Kentucky, be, and is hereby, authorized to construct, maintain, and operate a free highway bridge and approaches thereto across the Big Sandy River at a point suitable to the interests of navigation, at or near Louisa, Kentucky, in accordance with the provisions of the Act entitled "An Act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this Act.

34 Stat. 84.  
33 U. S. C. § 491.

Acquisition of real  
estate, etc.

SEC. 2. There is hereby conferred upon the county of Lawrence, Kentucky, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

Amendment.

SEC. 3. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, June 24, 1938.

## [CHAPTER 648]

## AN ACT

To authorize the deposit and investment of Indian funds.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Interior be, and he is hereby, authorized in his discretion, and under such rules and regulations as he may prescribe, to withdraw from the United States Treasury and to deposit in banks to be selected by him the common or community funds of any Indian tribe which are, or may hereafter be, held in trust by the United States and on which the United States is not obligated by law to pay interest at higher rates than can be procured from the banks. The said Secretary is also authorized, under such rules and regulations as he may prescribe, to deposit in banks to be selected by him the funds held in trust by the United States for the benefit of individual Indians: *Provided*, That no individual Indian money shall be deposited in any bank until the bank shall have agreed to pay interest thereon at a reasonable rate, subject, however, to the regulations of the Board of Governors of the Federal Reserve System in the case of member banks, and of the Board of Directors of the Federal Deposit Insurance Corporation in the case of insured nonmember banks, except that the payment of interest may be waived in the discretion of the Secretary of the Interior on any deposit which is payable on demand: *Provided further*, That no tribal or individual Indian money shall be deposited in any bank until the bank shall have furnished an acceptable bond or pledged collateral security therefor in the form of any public-debt obligations of the United States and any bonds, notes, or other obligations which are unconditionally guaranteed as to both interest and principal by the United States, except that no such bond or collateral shall be required to be furnished by any such bank which is entitled to the benefits of section 12B of the Federal Reserve Act, with respect to any deposits of such tribal or individual funds to the extent that such deposits are insured under such section: *Provided, however*, That nothing contained in this Act, or in section 12B of the Federal Reserve Act, shall operate to deprive any Indian having unrestricted funds on deposit in any such bank of the full protection afforded by section 12B of said Federal Reserve Act, irrespective of any interest such Indian may have in any restricted Indian funds on deposit in the same bank to the credit of a disbursing agent of the United States. For the purpose of said Acts, said unrestricted funds shall constitute a separate and distinct basis for an insurance claim: *Provided further*, That the Secretary of the Interior, if he deems it advisable and for the best interest of the Indians, may invest the trust funds of any tribe or individual Indian in any public-debt obligations of the United States and in any bonds, notes, or other obligations which are unconditionally guaranteed as to both interest and principal by the United States: *And provided further*, That the foregoing shall apply to the funds of the Osage Tribe of Indians, and the individual members thereof, only with respect to the deposit of such funds in banks.

SEC. 2. Section 28 of the Act of May 25, 1918, entitled "An Act making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June thirtieth, nineteen hundred and nineteen", and all other Acts or parts of Acts inconsistent herewith, are hereby repealed.

June 24, 1938

[S. 2163]

[Public, No. 714]

Indian trust funds.

Withdrawal from the Treasury and deposit in selected banks.

Deposits for benefit of individual Indians.

*Provisos.*  
Interest on deposits.

Security.

Exception.

48 Stat. 168, 969.  
12 U. S. C. § 264;  
Supp. III, § 264.  
Deposit, etc., insurance.

Investment of trust funds in Government public-debt obligations, etc.

Application to bank deposits only.

Repeal provisions.

40 Stat. 591.

Federal Reserve Act  
not affected.  
12 U. S. C., ch. 3;  
Supp. III, ch. 3.

SEC. 3. Nothing contained in this Act shall be construed as affecting the provisions of the Federal Reserve Act or regulations issued thereunder relating to the payment of interest on deposits.

Approved, June 24, 1938.

[CHAPTER 649]

AN ACT

To provide for the extension of the boundaries of the Hot Springs National Park in the State of Arkansas, and for other purposes.

June 24, 1938  
[H. R. 5763]  
[Public, No. 715]

Hot Springs Na-  
tional Park, Ark.  
Boundaries ex-  
tended.

Description.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the boundaries of the Hot Springs National Park in the State of Arkansas be, and the same are hereby, extended to include the following lands, to wit:

So much of the northeast quarter section 33, township 2 south, range 19 west, as is now privately owned;

The northwest quarter section 34, township 2 south, range 19 west;

All privately owned land in the west half section 27, township 2 south, range 19 west;

The southeast quarter section 27, south half northeast quarter section 27, all privately owned lands in the northwest quarter northeast quarter section 27, west half section 22, southwest quarter section 15, southeast quarter section 16, northeast quarter section 21, south half section 21, southeast quarter southeast quarter section 20, east half northeast quarter section 28, northwest quarter northeast quarter section 28, northwest quarter northwest quarter section 28, east half southwest quarter northeast quarter section 28, east half northeast quarter section 29, southeast quarter northwest quarter northeast quarter section 29, southwest quarter northeast quarter section 29, west half northwest quarter southeast quarter section 29, southeast quarter southeast quarter northwest quarter section 29, northeast quarter northwest quarter southeast quarter section 29, all privately owned land in northeast quarter southwest quarter section 29, south half southeast quarter section 30, northeast quarter southeast quarter section 30, southeast quarter southwest quarter section 30, west half section 31, north half northeast quarter section 31, southwest quarter northeast quarter section 31, west half southeast quarter northeast quarter section 31, all lying and being situated in township 2 south, range 19 west;

All of section 36, southeast quarter section 35, southeast quarter northeast quarter section 35, all lying and being situated in township 2 south, range 20 west;

Northeast quarter section 2, north half southeast quarter section 2, north half section 1, north half southwest quarter section 1, north half southeast quarter section 1, all lying and being situated in township 3 south, range 20 west;

North half section 6, north half southwest quarter section 6, northwest quarter southeast quarter section 6, all lying and being situated in township 3 south, range 19 west;

Blocks 27, 189, 195, and 196, city of Hot Springs;

Lots 8 to 13, inclusive, block 125, city of Hot Springs; lots 4, 5, 7, 8, 9, 10, 11, 12, 13, and 14, block 188, city of Hot Springs;

Fountain Street adjoining lots 13, block 125, and blocks 195 and 196, city of Hot Springs;

Reserve Avenue in city of Hot Springs from Palm Street to Cypress Street. Two unnamed streets, twenty feet wide, extending from Fountain Street to Government boundary and running between blocks 125 and 195 and blocks 195 and 196, respectively.

All or any part of such lands above described, when acquired by the Secretary of the Interior on behalf of the United States, shall be and remain a part of the Hot Springs National Park, subject to all laws and regulations applicable thereto.

SEC. 2. The following-described lands are hereby granted to the city of Hot Springs, Arkansas, for the purpose of straightening Whittington Avenue in said city: Tract A, beginning at a point on the dividing line between the United States Hot Springs Reservation and Whittington Avenue fifty-two and six-tenths feet easterly from Government monument numbered 131; run thence westerly along said line two hundred and thirty-six feet to a point one hundred and seven and one-tenth feet westerly from Government monument numbered 132; run thence easterly across the United States Hot Springs Reservation on an included angle of eight degrees fifty-three minutes seventy-four feet; thence easterly a distance of one hundred and fifty-seven and four-tenths feet to the place of beginning; tract B, beginning at a point on the dividing line between the United States Hot Springs Reservation and Whittington Avenue twelve and five-tenths feet easterly from Government monument numbered 134; run thence westerly along said line a distance of two hundred and fourteen and three-tenths feet to a point twelve and three-tenths feet westerly from Government monument numbered 135; run thence easterly across the United States Hot Springs Reservation on a seven degree thirty minute curve to the left (R-763.94) a distance of two hundred and five feet more or less to the place of beginning; tract C, beginning at a point on the dividing line between the United States Hot Springs Reservation and Whittington Avenue ten and seven-tenths feet easterly from Government monument numbered 136; run thence westerly along said line a distance of two hundred and five and seven-tenths feet to a point eleven and eight-tenths feet westerly from Government monument numbered 137; run thence easterly in a straight line across the United States Hot Springs Reservation to the place of beginning; tract D, beginning at a point on the dividing line between the United States Hot Springs Reservation and Whittington Avenue nineteen feet easterly from Government monument numbered 139; run thence westerly along said line one hundred and seventy-four feet to a point twenty-six and five-tenths feet westerly from Government monument numbered 140; run thence easterly in a straight line across the United States Hot Springs Reservation one hundred and seventy and two-tenths feet, more or less, to the place of beginning; tract E, beginning at a point on the dividing line between the United States Hot Springs Reservation and Whittington Avenue twenty-five feet easterly from Government monument numbered 142; run thence westerly along said dividing line one hundred and seventy-two and five-tenths feet to a point fifteen and eight-tenths feet westerly from Government monument numbered 143; run thence easterly across the United States Hot Springs Reservation on a twelve-degree thirty-minute curve to the left (R-458.37) a distance of one hundred and sixty-three and six-tenths feet, more or less, to the place of beginning; tract F, beginning at a point on the dividing line between the United States Hot Springs Reservation and the north branch of Whittington Avenue six and six-tenths feet westerly from Government monument numbered 124; run thence easterly along said line fifty feet; run thence southerly across the United States Hot Springs Reservation to a point on the north line of the south branch of Whittington Avenue fifty-nine and six-tenths feet westerly from Government monument numbered 133; run thence westerly along said line fifty

Lands granted to  
city of Hot Springs.  
Description.

Appropriation authorized for land acquisition.

and two-tenths feet; run thence northerly across the United States Hot Springs Reservation in a straight line to the place of beginning.

SEC. 3. There is hereby authorized to be appropriated for the acquisition of lands described in section 1 hereof such sums as the Congress may from time to time determine.

Approved, June 24, 1938.

[CHAPTER 653]

AN ACT

June 25, 1938

[H. R. 9881]

[Public, No. 716]

To amend section 23 of the Act to create the California Débris Commission, as amended.

California Débris Commission.  
27 Stat. 510; 48 Stat. 1118.  
33 U. S. C. § 683.

Contracts to supply storage for water, etc., authorized.

Proviso.  
Deposit of receipts from contracts.  
Reduction of total capital cost.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 23 of the Act approved March 1, 1893, entitled "An Act to create the California Débris Commission and regulate hydraulic mining in the State of California", as amended by the Act approved June 19, 1934, is hereby further amended by adding at the end thereof the following: "The Secretary of War is authorized to enter into contracts to supply storage for water and use of outlet facilities from debris storage reservoirs, for domestic and irrigation purposes and power development upon such conditions of delivery, use, and payment as he may approve: *Provided*, That the moneys received from such contracts shall be deposited to the credit of the reservoir project from which the water is supplied, and the total capital cost of said reservoir, which is to be repaid by tax on mining operations as herein provided, shall be reduced in the amount so received".

Approved, June 25, 1938.

[CHAPTER 675]

AN ACT

June 25, 1938

[S. 5]

[Public, No. 717]

To prohibit the movement in interstate commerce of adulterated and misbranded food, drugs, devices, and cosmetics, and for other purposes.

Federal Food, Drug, and Cosmetic Act.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

Chapter I—Short title.

CHAPTER I—SHORT TITLE

SECTION 1. This Act may be cited as the Federal Food, Drug, and Cosmetic Act.

Chapter II—Definitions.

CHAPTER II—DEFINITIONS

SEC. 201. For the purposes of this Act—

"Territory."

(a) The term "Territory" means any Territory or possession of the United States, including the District of Columbia and excluding the Canal Zone.

"Interstate commerce."

(b) The term "interstate commerce" means (1) commerce between any State or Territory and any place outside thereof, and (2) commerce within the District of Columbia or within any other Territory not organized with a legislative body.

"Department."

(c) The term "Department" means the Department of Agriculture of the United States.

"Secretary."

(d) The term "Secretary" means the Secretary of Agriculture.

"Person."

(e) The term "person" includes individual, partnership, corporation, and association.

"Food."

(f) The term "food" means (1) articles used for food or drink for man or other animals, (2) chewing gum, and (3) articles used for components of any such article.

(g) The term "drug" means (1) articles recognized in the official United States Pharmacopœia, official Homœopathic Pharmacopœia of the United States, or official National Formulary, or any supplement to any of them; and (2) articles intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in man or other animals; and (3) articles (other than food) intended to affect the structure or any function of the body of man or other animals; and (4) articles intended for use as a component of any article specified in clause (1), (2), or (3); but does not include devices or their components, parts, or accessories.

"Drug."

(h) The term "device" (except when used in paragraph (n) of this section and in sections 301 (i), 403 (f), 502 (c), and 602 (c)) means instruments, apparatus, and contrivances, including their components, parts, and accessories, intended (1) for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in man or other animals; or (2) to affect the structure or any function of the body of man or other animals.

"Device"; excep-  
tions.  
*Post.*, pp. 1042, 1047,  
1050, 1054.

(i) The term "cosmetic" means (1) articles intended to be rubbed, poured, sprinkled, or sprayed on, introduced into, or otherwise applied to the human body or any part thereof for cleansing, beautifying, promoting attractiveness, or altering the appearance, and (2) articles intended for use as a component of any such articles; except that such term shall not include soap.

"Cosmetic."

(j) The term "official compendium" means the official United States Pharmacopœia, official Homœopathic Pharmacopœia of the United States, official National Formulary, or any supplement to any of them.

"Official compendi-  
um."

(k) The term "label" means a display of written, printed, or graphic matter upon the immediate container of any article; and a requirement made by or under authority of this Act that any word, statement, or other information appear on the label shall not be considered to be complied with unless such word, statement, or other information also appears on the outside container or wrapper, if any there be, of the retail package of such article, or is easily legible through the outside container or wrapper.

"Label."

(l) The term "immediate container" does not include package liners.

"Immediate con-  
tainer."

(m) The term "labeling" means all labels and other written, printed, or graphic matter (1) upon any article or any of its containers or wrappers, or (2) accompanying such article.

"Labeling."

(n) If an article is alleged to be misbranded because the labeling is misleading, then in determining whether the labeling is misleading there shall be taken into account (among other things) not only representations made or suggested by statement, word, design, device, or any combination thereof, but also the extent to which the labeling fails to reveal facts material in the light of such representations or material with respect to consequences which may result from the use of the article to which the labeling relates under the conditions of use prescribed in the labeling thereof or under such conditions of use as are customary or usual.

Determination as to  
whether article is mis-  
branded because label-  
ing misleading.

(o) The representation of a drug, in its labeling, as an antiseptic shall be considered to be a representation that it is a germicide, except in the case of a drug purporting to be, or represented as, an antiseptic for inhibitory use as a wet dressing, ointment, dusting powder, or such other use as involves prolonged contact with the body.

Drug represented as  
an antiseptic.

(p) The term "new drug" means—

Term "new drug"  
construed.

(1) Any drug the composition of which is such that such drug is not generally recognized, among experts qualified by scientific training and experience to evaluate the safety of drugs, as safe



34 Stat. 768.  
21 U. S. C. §§ 1-16;  
Supp. III, § 14a.

for use under the conditions prescribed, recommended, or suggested in the labeling thereof, except that such a drug not so recognized shall not be deemed to be a "new drug" if at any time prior to the enactment of this Act it was subject to the Food and Drugs Act of June 30, 1906, as amended, and if at such time its labeling contained the same representations concerning the conditions of its use; or

(2) Any drug the composition of which is such that such drug, as a result of investigations to determine its safety for use under such conditions, has become so recognized, but which has not, otherwise than in such investigations, been used to a material extent or for a material time under such conditions.

Chapter III—Prohibited acts and penalties.

## CHAPTER III—PROHIBITED ACTS AND PENALTIES

### PROHIBITED ACTS

Prohibited acts.

SEC. 301. The following acts and the causing thereof are hereby prohibited:

(a) The introduction or delivery for introduction into interstate commerce of any food, drug, device, or cosmetic that is adulterated or misbranded.

(b) The adulteration or misbranding of any food, drug, device, or cosmetic in interstate commerce.

(c) The receipt in interstate commerce of any food, drug, device, or cosmetic that is adulterated or misbranded, and the delivery or proffered delivery thereof for pay or otherwise.

*Post*, pp. 1048, 1052. (d) The introduction or delivery for introduction into interstate commerce of any article in violation of section 404 or 505.

*Post*, p. 1057. (e) The refusal to permit access to or copying of any record as required by section 703.

*Post*, p. 1057. (f) The refusal to permit entry or inspection as authorized by section 704.

(g) The manufacture within any Territory of any food, drug, device, or cosmetic that is adulterated or misbranded.

*Post*, p. 1043. (h) The giving of a guaranty or undertaking referred to in section 303 (c) (2), which guaranty or undertaking is false, except by a person who relied upon a guaranty or undertaking to the same effect signed by, and containing the name and address of, the person residing in the United States from whom he received in good faith the food, drug, device, or cosmetic; or the giving of a guaranty or undertaking referred to in section 303 (c) (3), which guaranty or undertaking is false.

*Post*, pp. 1048, 1049, 1052, 1055. (i) Forging, counterfeiting, simulating, or falsely representing, or without proper authority using any mark, stamp, tag, label, or other identification device authorized or required by regulations promulgated under the provisions of section 404, 406 (b), 504, or 604.

*Post*, pp. 1048, 1052, 1057. (j) The using by any person to his own advantage, or revealing, other than to the Secretary or officers or employees of the Department, or to the courts when relevant in any judicial proceeding under this Act, any information acquired under authority of section 404, 505, or 704 concerning any method or process which as a trade secret is entitled to protection.

(k) The alteration, mutilation, destruction, obliteration, or removal of the whole or any part of the labeling of, or the doing of any other act with respect to, a food, drug, device, or cosmetic, if such act is done while such article is held for sale after shipment in interstate commerce and results in such article being misbranded.

(1) The using, on the labeling of any drug or in any advertising relating to such drug, of any representation or suggestion that an application with respect to such drug is effective under section 505, or that such drug complies with the provisions of such section.

*Post*, p. 1052.

#### INJUNCTION PROCEEDINGS

SEC. 302. (a) The district courts of the United States and the United States courts of the Territories shall have jurisdiction, for cause shown, and subject to the provisions of section 17 (relating to notice to opposite party) of the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, as amended (U. S. C., 1934 ed., title 28, sec. 381), to restrain violations of section 301, except paragraphs (e), (f), (h), (i), and (j).

Injunction proceedings.

Jurisdiction.

38 Stat. 737.  
28 U. S. C. § 381.

(b) In case of violation of an injunction or restraining order issued under this section, which also constitutes a violation of this Act, trial shall be by the court, or, upon demand of the accused, by a jury. Such trial shall be conducted in accordance with the practice and procedure applicable in the case of proceedings subject to the provisions of section 22 of such Act of October 15, 1914, as amended (U. S. C., 1934 ed., title 28, sec. 387).

Violations of injunctions or restraining orders, proceedings.

38 Stat. 738.  
28 U. S. C. § 387.

#### PENALTIES

SEC. 303. (a) Any person who violates any of the provisions of section 301 shall be guilty of a misdemeanor and shall on conviction thereof be subject to imprisonment for not more than one year, or a fine of not more than \$1,000, or both such imprisonment and fine; but if the violation is committed after a conviction of such person under this section has become final such person shall be subject to imprisonment for not more than three years, or a fine of not more than \$10,000, or both such imprisonment and fine.

Penalties.

(b) Notwithstanding the provisions of subsection (a) of this section, in case of a violation of any of the provisions of section 301, with intent to defraud or mislead, the penalty shall be imprisonment for not more than three years, or a fine of not more than \$10,000, or both such imprisonment and fine.

Fraud.

(c) No person shall be subject to the penalties of subsection (a) of this section, (1) for having received in interstate commerce any article and delivered it or proffered delivery of it, if such delivery or proffer was made in good faith, unless he refuses to furnish on request of an officer or employee duly designated by the Secretary the name and address of the person from whom he purchased or received such article and copies of all documents, if any there be, pertaining to the delivery of the article to him; or (2) for having violated section 301 (a) or (d), if he establishes a guaranty or undertaking signed by, and containing the name and address of, the person residing in the United States from whom he received in good faith the article, to the effect, in case of an alleged violation of section 301 (a), that such article is not adulterated or misbranded, within the meaning of this Act, designating this Act, or to the effect, in case of an alleged violation of section 301 (d), that such article is not an article which may not, under the provisions of section 404 or 505, be introduced into interstate commerce; or (3) for having violated section 301 (a), where the violation exists because the article is adulterated by reason of containing a coal-tar color not from a batch certified in accordance with regulations promulgated by the Secretary under this Act, if such person establishes a guaranty or

Exceptions.

*Post*, pp. 1048, 1052.

undertaking signed by, and containing the name and address of, the manufacturer of the coal-tar color, to the effect that such color was from a batch certified in accordance with the applicable regulations promulgated by the Secretary under this Act.

## SEIZURE

Seizure of articles. *Post*, pp. 1048, 1052.

*Proviso.*  
If libel for condemnation proceeding pending.

Exceptions.

Change of venue.

Procedure.

When proceedings are pending in two or more jurisdictions.

Consolidation for trial.

SEC. 304. (a) Any article of food, drug, device, or cosmetic that is adulterated or misbranded when introduced into or while in interstate commerce, or which may not, under the provisions of section 404 or 505, be introduced into interstate commerce, shall be liable to be proceeded against while in interstate commerce, or at any time thereafter, on libel of information and condemned in any district court of the United States within the jurisdiction of which the article is found: *Provided, however*, That no libel for condemnation shall be instituted under this Act, for any alleged misbranding if there is pending in any court a libel for condemnation proceeding under this Act based upon the same alleged misbranding, and not more than one such proceeding shall be instituted if no such proceeding is so pending, except that such limitations shall not apply (1) when such misbranding has been the basis of a prior judgment in favor of the United States, in a criminal, injunction, or libel for condemnation proceeding under this Act, or (2) when the Secretary has probable cause to believe from facts found, without hearing, by him or any officer or employee of the Department that the misbranded article is dangerous to health, or that the labeling of the misbranded article is fraudulent, or would be in a material respect misleading to the injury or damage of the purchaser or consumer. In any case where the number of libel for condemnation proceedings is limited as above provided the proceeding pending or instituted shall, on application of the claimant, seasonably made, be removed for trial to any district agreed upon by stipulation between the parties, or, in case of failure to so stipulate within a reasonable time, the claimant may apply to the court of the district in which the seizure has been made, and such court (after giving the United States attorney for such district reasonable notice and opportunity to be heard) shall by order, unless good cause to the contrary is shown, specify a district of reasonable proximity to the claimant's principal place of business, to which the case shall be removed for trial.

(b) The article shall be liable to seizure by process pursuant to the libel, and the procedure in cases under this section shall conform, as nearly as may be, to the procedure in admiralty; except that on demand of either party any issue of fact joined in any such case shall be tried by jury. When libel for condemnation proceedings under this section, involving the same claimant and the same issues of adulteration or misbranding, are pending in two or more jurisdictions, such pending proceedings, upon application of the claimant seasonably made to the court of one such jurisdiction, shall be consolidated for trial by order of such court, and tried in (1) any district selected by the claimant where one of such proceedings is pending; or (2) a district agreed upon by stipulation between the parties. If no order for consolidation is so made within a reasonable time, the claimant may apply to the court of one such jurisdiction, and such court (after giving the United States attorney for such district reasonable notice and opportunity to be heard) shall by order, unless good cause to the contrary is shown, specify a district of reasonable proximity to the claimant's principal place of business, in which all such pending proceedings shall be consolidated for trial and tried. Such order of consolidation shall not apply so as to require the removal of any case the date for trial of which has been fixed. The court granting such

order shall give prompt notification thereof to the other courts having jurisdiction of the cases covered thereby.

(c) The court at any time after seizure up to a reasonable time before trial shall by order allow any party to a condemnation proceeding, his attorney or agent, to obtain a representative sample of the article seized, and as regards fresh fruits or fresh vegetables, a true copy of the analysis on which the proceeding is based and the identifying marks or numbers, if any, of the packages from which the samples analyzed were obtained.

Party to condemnation proceeding allowed a representative sample of article seized, etc.

(d) Any food, drug, device, or cosmetic condemned under this section shall, after entry of the decree, be disposed of by destruction or sale as the court may, in accordance with the provisions of this section, direct and the proceeds thereof, if sold, less the legal costs and charges, shall be paid into the Treasury of the United States; but such article shall not be sold under such decree contrary to the provisions of this Act or the laws of the jurisdiction in which sold: *Provided*, That after entry of the decree and upon the payment of the costs of such proceedings and the execution of a good and sufficient bond conditioned that such article shall not be sold or disposed of contrary to the provisions of this Act or the laws of any State or Territory in which sold, the court may by order direct that such article be delivered to the owner thereof to be destroyed or brought into compliance with the provisions of this Act under the supervision of an officer or employee duly designated by the Secretary, and the expenses of such supervision shall be paid by the person obtaining release of the article under bond. Any article condemned by reason of its being an article which may not, under section 404 or 505, be introduced into interstate commerce, shall be disposed of by destruction.

Disposal of condemned articles after entry of decree.

*Proviso.*  
Delivery to owner if not to be sold.

Destruction of designated articles.  
*Post*, pp. 1048, 1052.

(e) When a decree of condemnation is entered against the article, court costs and fees, and storage and other proper expenses, shall be awarded against the person, if any, intervening as claimant of the article.

Court costs, fees, etc.

(f) In the case of removal for trial of any case as provided by subsection (a) or (b)—

Powers and duties of court in cases of removal.

(1) The clerk of the court from which removal is made shall promptly transmit to the court in which the case is to be tried all records in the case necessary in order that such court may exercise jurisdiction.

(2) The court to which such case was removed shall have the powers and be subject to the duties, for purposes of such case, which the court from which removal was made would have had, or to which such court would have been subject, if such case had not been removed.

#### HEARING BEFORE REPORT OF CRIMINAL VIOLATION

SEC. 305. Before any violation of this Act is reported by the Secretary to any United States attorney for institution of a criminal proceeding, the person against whom such proceeding is contemplated shall be given appropriate notice and an opportunity to present his views, either orally or in writing, with regard to such contemplated proceeding.

Hearing before report of criminal violation.

#### REPORT OF MINOR VIOLATIONS

SEC. 306. Nothing in this Act shall be construed as requiring the Secretary to report for prosecution, or for the institution of libel or injunction proceedings, minor violations of this Act whenever he believes that the public interest will be adequately served by a suitable written notice or warning.

Report of minor violations.

## PROCEEDINGS IN NAME OF UNITED STATES; PROVISION AS TO SUBPENAS

Proceedings in name  
of United States; sub-  
penas.

R. S. § 876.  
28 U. S. C. § 654.

SEC. 307. All such proceedings for the enforcement, or to restrain violations, of this Act shall be by and in the name of the United States. Notwithstanding the provisions of section 876 of the Revised Statutes, subpoenas for witnesses who are required to attend a court of the United States, in any district, may run into any other district in any such proceeding.

## Chapter IV—Food.

## CHAPTER IV—FOOD

## DEFINITIONS AND STANDARDS FOR FOOD

Definitions and  
standards; regulations  
by Secretary.

*Proviso.*  
Fresh or dried fruits,  
etc.

*Exceptions.*

Standard of fill of  
container.

Standard of quality  
of canned fruit, etc.

Class in which  
optional ingredients  
are permitted.

Limitation on defini-  
tion as to avocados,  
cantaloupes, etc.

SEC. 401. Whenever in the judgment of the Secretary such action will promote honesty and fair dealing in the interest of consumers, he shall promulgate regulations fixing and establishing for any food, under its common or usual name so far as practicable, a reasonable definition and standard of identity, a reasonable standard of quality, and/or reasonable standards of fill of container: *Provided*, That no definition and standard of identity and no standard of quality shall be established for fresh or dried fruits, fresh or dried vegetables, or butter, except that definitions and standards of identity may be established for avocados, cantaloupes, citrus fruits, and melons. In prescribing any standard of fill of container, the Secretary shall give due consideration to the natural shrinkage in storage and in transit of fresh natural food and to need for the necessary packing and protective material. In the prescribing of any standard of quality for any canned fruit or canned vegetable, consideration shall be given and due allowance made for the differing characteristics of the several varieties of such fruit or vegetable. In prescribing a definition and standard of identity for any food or class of food in which optional ingredients are permitted, the Secretary shall, for the purpose of promoting honesty and fair dealing in the interest of consumers, designate the optional ingredients which shall be named on the label. Any definition and standard of identity prescribed by the Secretary for avocados, cantaloupes, citrus fruits, or melons shall relate only to maturity and to the effects of freezing.

## ADULTERATED FOOD

Adulterated food.

Added substances,  
etc.

*Post*, p. 1049.

Omission, abstrac-  
tion, substitution,  
etc., of any valuable  
constituent.

SEC. 402. A food shall be deemed to be adulterated—

(a) (1) If it bears or contains any poisonous or deleterious substance which may render it injurious to health; but in case the substance is not an added substance such food shall not be considered adulterated under this clause if the quantity of such substance in such food does not ordinarily render it injurious to health; or (2) if it bears or contains any added poisonous or added deleterious substance which is unsafe within the meaning of section 406; or (3) if it consists in whole or in part of any filthy, putrid, or decomposed substance, or if it is otherwise unfit for food; or (4) if it has been prepared, packed, or held under insanitary conditions whereby it may have become contaminated with filth, or whereby it may have been rendered injurious to health; or (5) if it is, in whole or in part, the product of a diseased animal or of an animal which has died otherwise than by slaughter; or (6) if its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health.

(b) (1) If any valuable constituent has been in whole or in part omitted or abstracted therefrom; or (2) if any substance has been substituted wholly or in part therefor; or (3) if damage or inferiority has been concealed in any manner; or (4) if any substance has been added thereto or mixed or packed therewith so as to increase its bulk

or weight, or reduce its quality or strength, or make it appear better or of greater value than it is.

(c) If it bears or contains a coal-tar color other than one from a batch that has been certified in accordance with regulations as provided by section 406: *Provided*, That this paragraph shall not apply to citrus fruit bearing or containing a coal-tar color if application for listing of such color has been made under this Act and such application has not been acted on by the Secretary, if such color was commonly used prior to the enactment of this Act for the purpose of coloring citrus fruit.

Coal-tar color other than in accordance with regulations.

*Post*, p. 1049.

*Proviso*.

Citrus fruits.

(d) If it is confectionery, and it bears or contains any alcohol or nonnutritive article or substance except harmless coloring, harmless flavoring, harmless resinous glaze not in excess of four-tenths of 1 per centum, natural gum, and pectin: *Provided*, That this paragraph shall not apply to any confectionery by reason of its containing less than one-half of 1 per centum by volume of alcohol derived solely from the use of flavoring extracts, or to any chewing gum by reason of its containing harmless nonnutritive masticatory substances.

Confectionery, containing alcohol, etc.

*Proviso*.

Exemptions.

#### MISBRANDED FOOD

SEC. 403. A food shall be deemed to be misbranded—

(a) If its labeling is false or misleading in any particular.

(b) If it is offered for sale under the name of another food.

(c) If it is an imitation of another food, unless its label bears, in type of uniform size and prominence, the word "imitation" and, immediately thereafter, the name of the food imitated.

(d) If its container is so made, formed, or filled as to be misleading.

(e) If in package form unless it bears a label containing (1) the name and place of business of the manufacturer, packer, or distributor; and (2) an accurate statement of the quantity of the contents in terms of weight, measure, or numerical count: *Provided*, That under clause (2) of this paragraph reasonable variations shall be permitted, and exemptions as to small packages shall be established, by regulations prescribed by the Secretary.

Misbranded food.

Definitions.

False labeling.

Using name of another food.  
Imitations not properly indicated.

Misleading containers.  
Package form provisions.

*Proviso*.  
Variations.

(f) If any word, statement, or other information required by or under authority of this Act to appear on the label or labeling is not prominently placed thereon with such conspicuousness (as compared with other words, statements, designs, or devices, in the labeling) and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use.

Label or labeling.

(g) If it purports to be or is represented as a food for which a definition and standard of identity has been prescribed by regulations as provided by section 401, unless (1) it conforms to such definition and standard, and (2) its label bears the name of the food specified in the definition and standard, and, insofar as may be required by such regulations, the common names of optional ingredients (other than spices, flavoring, and coloring) present in such food.

Representations as to identity; conformity provisions.  
*Ante*, p. 1046.

(h) If it purports to be or is represented as—

(1) a food for which a standard of quality has been prescribed by regulations as provided by section 401, and its quality falls below such standard, unless its label bears, in such manner and form as such regulations specify, a statement that it falls below such standard; or

Below standard; exception.

(2) a food for which a standard or standards of fill of container have been prescribed by regulations as provided by section 401, and it falls below the standard of fill of container applicable thereto, unless its label bears, in such manner and form as such regulations specify, a statement that it falls below such standard.

Below standard of fill of container; exception.

If not subject to foregoing provisions, without prescribed label, etc.

*Proviso.*  
Exemptions.

Represented to be for special dietary use; label requirements.

Artificial flavoring, coloring, etc.; label requirements.

*Proviso.*  
Exemptions.

Emergency permit control.

Suspension upon finding of violation.

Reinstatement.

Access to factories, etc., by employees designated by Secretary.

(i) If it is not subject to the provisions of paragraph (g) of this section unless its label bears (1) the common or usual name of the food, if any there be, and (2) in case it is fabricated from two or more ingredients, the common or usual name of each such ingredient; except that spices, flavorings, and colorings, other than those sold as such, may be designated as spices, flavorings, and colorings without naming each: *Provided*, That, to the extent that compliance with the requirements of clause (2) of this paragraph is impracticable, or results in deception or unfair competition, exemptions shall be established by regulations promulgated by the Secretary.

(j) If it purports to be or is represented for special dietary uses, unless its label bears such information concerning its vitamin, mineral, and other dietary properties as the Secretary determines to be, and by regulations prescribes as, necessary in order fully to inform purchasers as to its value for such uses.

(k) If it bears or contains any artificial flavoring, artificial coloring, or chemical preservative, unless it bears labeling stating that fact: *Provided*, That to the extent that compliance with the requirements of this paragraph is impracticable, exemptions shall be established by regulations promulgated by the Secretary. The provisions of this paragraph and paragraphs (g) and (i) with respect to artificial coloring shall not apply in the case of butter, cheese, or ice cream.

#### EMERGENCY PERMIT CONTROL

SEC. 404. (a) Whenever the Secretary finds after investigation that the distribution in interstate commerce of any class of food may, by reason of contamination with micro-organisms during the manufacture, processing, or packing thereof in any locality, be injurious to health, and that such injurious nature cannot be adequately determined after such articles have entered interstate commerce, he then, and in such case only, shall promulgate regulations providing for the issuance, to manufacturers, processors, or packers of such class of food in such locality, of permits to which shall be attached such conditions governing the manufacture, processing, or packing of such class of food, for such temporary period of time, as may be necessary to protect the public health; and after the effective date of such regulations, and during such temporary period, no person shall introduce or deliver for introduction into interstate commerce any such food manufactured, processed, or packed by any such manufacturer, processor, or packer unless such manufacturer, processor, or packer holds a permit issued by the Secretary as provided by such regulations.

(b) The Secretary is authorized to suspend immediately upon notice any permit issued under authority of this section if it is found that any of the conditions of the permit have been violated. The holder of a permit so suspended shall be privileged at any time to apply for the reinstatement of such permit, and the Secretary shall, immediately after prompt hearing and an inspection of the establishment, reinstate such permit if it is found that adequate measures have been taken to comply with and maintain the conditions of the permit, as originally issued or as amended.

(c) Any officer or employee duly designated by the Secretary shall have access to any factory or establishment, the operator of which holds a permit from the Secretary, for the purpose of ascertaining whether or not the conditions of the permit are being complied with, and denial of access for such inspection shall be ground for suspension of the permit until such access is freely given by the operator.

## REGULATIONS MAKING EXEMPTIONS

SEC. 405. The Secretary shall promulgate regulations exempting from any labeling requirement of this Act (1) small open containers of fresh fruits and fresh vegetables and (2) food which is, in accordance with the practice of the trade, to be processed, labeled, or repacked in substantial quantities at establishments other than those where originally processed or packed, on condition that such food is not adulterated or misbranded under the provisions of this Act upon removal from such processing, labeling, or repacking establishment.

Regulations making exemptions.

## TOLERANCES FOR POISONOUS INGREDIENTS IN FOOD AND CERTIFICATION OF COAL-TAR COLORS FOR FOOD

SEC. 406. (a) Any poisonous or deleterious substance added to any food, except where such substance is required in the production thereof or cannot be avoided by good manufacturing practice shall be deemed to be unsafe for purposes of the application of clause (2) of section 402 (a); but when such substance is so required or cannot be so avoided, the Secretary shall promulgate regulations limiting the quantity therein or thereon to such extent as he finds necessary for the protection of public health, and any quantity exceeding the limits so fixed shall also be deemed to be unsafe for purposes of the application of clause (2) of section 402 (a). While such a regulation is in effect limiting the quantity of any such substance in the case of any food, such food shall not, by reason of bearing or containing any added amount of such substance, be considered to be adulterated within the meaning of clause (1) of section 402 (a). In determining the quantity of such added substance to be tolerated in or on different articles of food the Secretary shall take into account the extent to which the use of such substance is required or cannot be avoided in the production of each such article, and the other ways in which the consumer may be affected by the same or other poisonous or deleterious substances.

Tolerances for poisonous ingredients in food.

*Ante*, p. 1046.

(b) The Secretary shall promulgate regulations providing for the listing of coal-tar colors which are harmless and suitable for use in food and for the certification of batches of such colors, with or without harmless diluents.

Certification of coal-tar colors for food.

## CHAPTER V—DRUGS AND DEVICES

Chapter V—Drugs and devices.

## ADULTERATED DRUGS AND DEVICES

SEC. 501. A drug or device shall be deemed to be adulterated—

(a) (1) If it consists in whole or in part of any filthy, putrid, or decomposed substance; or (2) if it has been prepared, packed, or held under insanitary conditions whereby it may have been contaminated with filth, or whereby it may have been rendered injurious to health; or (3) if it is a drug and its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health; or (4) if it is a drug and it bears or contains, for purposes of coloring only, a coal-tar color other than one from a batch that has been certified in accordance with regulations as provided by section 504.

Adulterated drugs and devices. Definition.

(b) If it purports to be or is represented as a drug the name of which is recognized in an official compendium, and its strength differs from, or its quality or purity falls below, the standard set forth in such compendium. Such determination as to strength, quality, or purity shall be made in accordance with the tests or methods of

*Post*, p. 1052.



assay set forth in such compendium, except that whenever tests or methods of assay have not been prescribed in such compendium, or such tests or methods of assay as are prescribed are, in the judgment of the Secretary, insufficient for the making of such determination, the Secretary shall bring such fact to the attention of the appropriate body charged with the revision of such compendium, and if such body fails within a reasonable time to prescribe tests or methods of assay which, in the judgment of the Secretary, are sufficient for purposes of this paragraph, then the Secretary shall promulgate regulations prescribing appropriate tests or methods of assay in accordance with which such determination as to strength, quality, or purity shall be made. No drug defined in an official compendium shall be deemed to be adulterated under this paragraph because it differs from the standard of strength, quality, or purity therefor set forth in such compendium, if its difference in strength, quality, or purity from such standard is plainly stated on its label. Whenever a drug is recognized in both the United States Pharmacopœia and the Homœopathic Pharmacopœia of the United States it shall be subject to the requirements of the United States Pharmacopœia unless it is labeled and offered for sale as a homœopathic drug, in which case it shall be subject to the provisions of the Homœopathic Pharmacopœia of the United States and not to those of the United States Pharmacopœia.

(c) If it is not subject to the provisions of paragraph (b) of this section and its strength differs from, or its purity or quality falls below, that which it purports or is represented to possess.

(d) If it is a drug and any substance has been (1) mixed or packed therewith so as to reduce its quality or strength or (2) substituted wholly or in part therefor.

#### MISBRANDED DRUGS AND DEVICES

Misbranded drugs  
and devices.  
False, etc., labeling.  
Labels, information  
required.

*Proviso.*  
Variations and ex-  
emptions.

Prominence of infor-  
mation required by  
Act.

Drugs which may  
be habit forming.

Drug not designated  
solely by recognized  
name.

SEC. 502. A drug or device shall be deemed to be misbranded—

(a) If its labeling is false or misleading in any particular.

(b) If in package form unless it bears a label containing (1) the name and place of business of the manufacturer, packer, or distributor; and (2) an accurate statement of the quantity of the contents in terms of weight, measure, or numerical count: *Provided*, That under clause (2) of this paragraph reasonable variations shall be permitted, and exemptions as to small packages shall be established, by regulations prescribed by the Secretary.

(c) If any word, statement, or other information required by or under authority of this Act to appear on the label or labeling is not prominently placed thereon with such conspicuousness (as compared with other words, statements, designs, or devices, in the labeling) and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use.

(d) If it is for use by man and contains any quantity of the narcotic or hypnotic substance alpha eucaine, barbituric acid, beta-eucaine, bromal, cannabis, carbromal, chloral, coca, cocaine, codeine, heroin, marihuana, morphine, opium, paraldehyde, peyote, or sulphormethane; or any chemical derivative of such substance, which derivative has been by the Secretary, after investigation, found to be, and by regulations designated as, habit forming; unless its label bears the name, quantity, and percentage of such substance or derivative and in juxtaposition therewith the statement "Warning—May be habit forming".

(e) If it is a drug and is not designated solely by a name recognized in an official compendium unless its label bears (1) the common

or usual name of the drug, if such there be; and (2), in case it is fabricated from two or more ingredients, the common or usual name of each active ingredient, including the quantity, kind, and proportion of any alcohol, and also including, whether active or not, the name and quantity or proportion of any bromides, ether, chloroform, acetanilid, acetphenetidin, amidopyrine, antipyrine, atropine, hyoscine, hyoscyamine, arsenic, digitalis, digitalis glucosides, mercury, ouabain, strophanthin, strychnine, thyroid, or any derivative or preparation of any such substances, contained therein: *Provided*, That to the extent that compliance with the requirements of clause (2) of this paragraph is impracticable, exemptions shall be established by regulations promulgated by the Secretary.

*Proviso.*  
Exemptions.

(f) Unless its labeling bears (1) adequate directions for use; and (2) such adequate warnings against use in those pathological conditions or by children where its use may be dangerous to health, or against unsafe dosage or methods or duration of administration or application, in such manner and form, as are necessary for the protection of users: *Provided*, That where any requirement of clause (1) of this paragraph, as applied to any drug or device, is not necessary for the protection of the public health, the Secretary shall promulgate regulations exempting such drug or device from such requirement.

Directions for use;  
warnings, etc.

*Proviso.*  
Exemptions.

(g) If it purports to be a drug the name of which is recognized in an official compendium, unless it is packaged and labeled as prescribed therein: *Provided*, That the method of packing may be modified with the consent of the Secretary. Whenever a drug is recognized in both the United States Pharmacopœia and the Homœopathic Pharmacopœia of the United States, it shall be subject to the requirements of the United States Pharmacopœia with respect to packaging and labeling unless it is labeled and offered for sale as a homœopathic drug, in which case it shall be subject to the provisions of the Homœopathic Pharmacopœia of the United States, and not to those of the United States Pharmacopœia.

Purported to be  
recognized drug.

*Proviso.*  
Modification in  
method of packing.

(h) If it has been found by the Secretary to be a drug liable to deterioration, unless it is packaged in such form and manner, and its label bears a statement of such precautions, as the Secretary shall by regulations require as necessary for the protection of the public health. No such regulation shall be established for any drug recognized in an official compendium until the Secretary shall have informed the appropriate body charged with the revision of such compendium of the need for such packaging or labeling requirements and such body shall have failed within a reasonable time to prescribe such requirements.

Drug liable to deterioration.

(i) (1) If it is a drug and its container is so made, formed, or filled as to be misleading; or (2) if it is an imitation of another drug; or (3) if it is offered for sale under the name of another drug.

Drug and container  
misleading, etc.

(j) If it is dangerous to health when used in the dosage, or with the frequency or duration prescribed, recommended, or suggested in the labeling thereof.

Dangerous to health.

#### EXEMPTIONS IN CASE OF DRUGS AND DEVICES

SEC. 503. (a) The Secretary is hereby directed to promulgate regulations exempting from any labeling or packaging requirement of this Act drugs and devices which are, in accordance with the practice of the trade, to be processed, labeled, or repacked in substantial quantities at establishments other than those where originally processed or packed, on condition that such drugs and devices are not adulterated or misbranded under the provisions of this Act upon removal from such processing, labeling, or repacking establishment.

Exemptions in case  
of drugs and devices.

Processing, repack-  
ing, etc., at other than  
original establish-  
ment.

Drugs dispensed on written prescription.

(b) A drug dispensed on a written prescription signed by a physician, dentist, or veterinarian (except a drug dispensed in the course of the conduct of a business of dispensing drugs pursuant to diagnosis by mail), shall if—

(1) such physician, dentist, or veterinarian is licensed by law to administer such drug, and

(2) such drug bears a label containing the name and place of business of the dispenser, the serial number and date of such prescription, and the name of such physician, dentist, or veterinarian,

*Ande*, p. 1050.

be exempt from the requirements of section 502 (b) and (e), and (in case such prescription is marked by the writer thereof as not refillable or its refilling is prohibited by law) of section 502 (d).

#### CERTIFICATION OF COAL-TAR COLORS FOR DRUGS

Certification of coal-tar colors for drugs.

SEC. 504. The Secretary shall promulgate regulations providing for the listing of coal-tar colors which are harmless and suitable for use in drugs for purposes of coloring only and for the certification of batches of such colors, with or without harmless diluents.

New drugs.

#### NEW DRUGS

Application for introduction into interstate commerce.

SEC. 505. (a) No person shall introduce or deliver for introduction into interstate commerce any new drug, unless an application filed pursuant to subsection (b) is effective with respect to such drug.

Filing of application; requirements.

(b) Any person may file with the Secretary an application with respect to any drug subject to the provisions of subsection (a). Such person shall submit to the Secretary as a part of the application (1) full reports of investigations which have been made to show whether or not such drug is safe for use; (2) a full list of the articles used as components of such drug; (3) a full statement of the composition of such drug; (4) a full description of the methods used in, and the facilities and controls used for, the manufacture, processing, and packing of such drug; (5) such samples of such drug and of the articles used as components thereof as the Secretary may require; and (6) specimens of the labeling proposed to be used for such drug.

Effective date of application.

(c) An application provided for in subsection (b) shall become effective on the sixtieth day after the filing thereof unless prior to such day the Secretary by notice to the applicant in writing postpones the effective date of the application to such time (not more than one hundred and eighty days after the filing thereof) as the Secretary deems necessary to enable him to study and investigate the application.

Tests, etc.

(d) If the Secretary finds, after due notice to the applicant and giving him an opportunity for a hearing, that (1) the investigations, reports of which are required to be submitted to the Secretary pursuant to subsection (b), do not include adequate tests by all methods reasonably applicable to show whether or not such drug is safe for use under the conditions prescribed, recommended, or suggested in the proposed labeling thereof; (2) the results of such tests show that such drug is unsafe for use under such conditions or do not show that such drug is safe for use under such conditions; (3) the methods used in, and the facilities and controls used for, the manufacture, processing, and packing of such drug are inadequate to preserve its identity, strength, quality, and purity; or (4) upon the basis of the information submitted to him as part of the application, or upon the basis of any other information before him with respect to such drug, he has insufficient information to determine whether such drug is safe for use under such conditions, he shall, prior to the effective date of the application, issue an order refusing to permit the application to become effective.

Order refusing to permit application to become effective.

(e) The effectiveness of an application with respect to any drug shall, after due notice and opportunity for hearing to the applicant, by order of the Secretary be suspended if the Secretary finds (1) that clinical experience, tests by new methods, or tests by methods not deemed reasonably applicable when such application became effective show that such drug is unsafe for use under the conditions of use upon the basis of which the application became effective, or (2) that the application contains any untrue statement of a material fact. The order shall state the findings upon which it is based.

Suspension of application.

(f) An order refusing to permit an application with respect to any drug to become effective shall be revoked whenever the Secretary finds that the facts so require.

Revocation of order of refusal.

(g) Orders of the Secretary issued under this section shall be served (1) in person by any officer or employee of the department designated by the Secretary or (2) by mailing the order by registered mail addressed to the applicant or respondent at his last-known address in the records of the Secretary.

Service of Secretary's orders.

(h) An appeal may be taken by the applicant from an order of the Secretary refusing to permit the application to become effective, or suspending the effectiveness of the application. Such appeal shall be taken by filing in the district court of the United States within any district wherein such applicant resides or has his principal place of business, or in the District Court of the United States for the District of Columbia, within sixty days after the entry of such order, a written petition praying that the order of the Secretary be set aside. A copy of such petition shall be forthwith served upon the Secretary, or upon any officer designated by him for that purpose, and thereupon the Secretary shall certify and file in the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript such court shall have exclusive jurisdiction to affirm or set aside such order. No objection to the order of the Secretary shall be considered by the court unless such objection shall have been urged before the Secretary or unless there were reasonable grounds for failure so to do. The finding of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive. If any person shall apply to the court for leave to adduce additional evidence, and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for failure to adduce such evidence in the proceeding before the Secretary, the court may order such additional evidence to be taken before the Secretary and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper. The Secretary may modify his findings as to the facts by reason of the additional evidence so taken, and he shall file with the court such modified findings which, if supported by substantial evidence, shall be conclusive, and his recommendation, if any, for the setting aside of the original order. The judgment and decree of the court affirming or setting aside any such order of the Secretary shall be final, subject to review as provided in sections 128, 239, and 240 of the Judicial Code, as amended (U. S. C., 1934 ed., title 28, secs. 225, 346, and 347), and in section 7, as amended, of the Act entitled "An Act to establish a Court of Appeals for the District of Columbia", approved February 9, 1893 (D. C. Code, title 18, sec. 26). The commencement of proceedings under this subsection shall not, unless specifically ordered by the court to the contrary, operate as a stay of the Secretary's order.

Appeals.

Finality of judgment and decree; review.

28 U. S. C. §§ 225, 346, 347.

18 D. C. Code § 26.

(i) The Secretary shall promulgate regulations for exempting from the operation of this section drugs intended solely for investigational use by experts qualified by scientific training and experience to investigate the safety of drugs.

Drugs for investigational use, etc.

## Chapter VI—Cosmetics.

## CHAPTER VI—COSMETICS

## ADULTERATED COSMETICS

Adulterated cosmetics defined.

*Proviso.*  
Coal-tar hair dye bearing informative legend.

SEC. 601. A cosmetic shall be deemed to be adulterated—

(a) If it bears or contains any poisonous or deleterious substance which may render it injurious to users under the conditions of use prescribed in the labeling thereof, or under such conditions of use as are customary or usual: *Provided*, That this provision shall not apply to coal-tar hair dye, the label of which bears the following legend conspicuously displayed thereon: "Caution—This product contains ingredients which may cause skin irritation on certain individuals and a preliminary test according to accompanying directions should first be made. This product must not be used for dyeing the eyelashes or eyebrows; to do so may cause blindness.", and the labeling of which bears adequate directions for such preliminary testing. For the purposes of this paragraph and paragraph (e) the term "hair dye" shall not include eyelash dyes or eyebrow dyes.

(b) If it consists in whole or in part of any filthy, putrid, or decomposed substance.

(c) If it has been prepared, packed, or held under insanitary conditions whereby it may have become contaminated with filth, or whereby it may have been rendered injurious to health.

(d) If its container is composed, in whole or in part, of any poisonous or deleterious substance which may render the contents injurious to health.

(e) If it is not a hair dye and it bears or contains a coal-tar color other than one from a batch that has been certified in accordance with regulations as provided by section 604.

## MISBRANDED COSMETICS

Misbranded cosmetics defined.  
False, etc., labeling.  
Labels, information required.

*Proviso.*  
Variations and exemptions.

Prominence of information required by Act.

Containers.

SEC. 602. A cosmetic shall be deemed to be misbranded—

(a) If its labeling is false or misleading in any particular.

(b) If in package form unless it bears a label containing (1) the name and place of business of the manufacturer, packer, or distributor; and (2) an accurate statement of the quantity of the contents in terms of weight, measure, or numerical count: *Provided*, That under clause (2) of this paragraph reasonable variations shall be permitted, and exemptions as to small packages shall be established, by regulations prescribed by the Secretary.

(c) If any word, statement, or other information required by or under authority of this Act to appear on the label or labeling is not prominently placed thereon with such conspicuousness (as compared with other words, statements, designs, or devices, in the labeling) and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use.

(d) If its container is so made, formed, or filled as to be misleading.

## REGULATIONS MAKING EXEMPTIONS

Regulations making exemptions.

SEC. 603. The Secretary shall promulgate regulations exempting from any labeling requirement of this Act cosmetics which are, in accordance with the practice of the trade, to be processed, labeled, or repacked in substantial quantities at establishments other than those where originally processed or packed, on condition that such cosmetics are not adulterated or misbranded under the provisions of this Act upon removal from such processing, labeling, or repacking establishment.

## CERTIFICATION OF COAL-TAR COLORS FOR COSMETICS

SEC. 604. The Secretary shall promulgate regulations providing for the listing of coal-tar colors which are harmless and suitable for use in cosmetics and for the certification of batches of such colors, with or without harmless diluents.

Certification of coal-tar colors for cosmetics.

## CHAPTER VII—GENERAL ADMINISTRATIVE PROVISIONS

Chapter VII—General administrative provisions.

## REGULATIONS AND HEARINGS

SEC. 701. (a) The authority to promulgate regulations for the efficient enforcement of this Act, except as otherwise provided in this section, is hereby vested in the Secretary.

Regulations.

(b) The Secretary of the Treasury and the Secretary of Agriculture shall jointly prescribe regulations for the efficient enforcement of the provisions of section 801, except as otherwise provided therein. Such regulations shall be promulgated in such manner and take effect at such time, after due notice, as the Secretary of Agriculture shall determine.

Post, p. 1058.

(c) Hearings authorized or required by this Act shall be conducted by the Secretary or such officer or employee as he may designate for the purpose.

Hearings.

(d) The definitions and standards of identity promulgated in accordance with the provisions of this Act shall be effective for the purposes of the enforcement of this Act, notwithstanding such definitions and standards as may be contained in other laws of the United States and regulations promulgated thereunder.

Definitions and standards of identity.

(e) The Secretary, on his own initiative or upon an application of any interested industry or substantial portion thereof stating reasonable grounds therefor, shall hold a public hearing upon a proposal to issue, amend, or repeal any regulation contemplated by any of the following sections of this Act: 401, 403 (j), 404 (a), 406 (a) and (b), 501 (b), 502 (d), 502 (h), 504, and 604. The Secretary shall give appropriate notice of the hearing, and the notice shall set forth the proposal in general terms and specify the time and place for a public hearing to be held thereon not less than thirty days after the date of the notice, except that the public hearing on regulations under section 404 (a) may be held within a reasonable time, to be fixed by the Secretary, after notice thereof. At the hearing any interested person may be heard in person or by his representative. As soon as practicable after completion of the hearing, the Secretary shall by order make public his action in issuing, amending, or repealing the regulation or determining not to take such action. The Secretary shall base his order only on substantial evidence of record at the hearing and shall set forth as part of the order detailed findings of fact on which the order is based. No such order shall take effect prior to the ninetieth day after it is issued, except that if the Secretary finds that emergency conditions exist necessitating an earlier effective date, then the Secretary shall specify in the order his findings as to such conditions and the order shall take effect at such earlier date as the Secretary shall specify therein to meet the emergency.

Public hearing upon proposal to issue, amend, or repeal any regulation.

Ante, pp. 1046, 1048, 1049, 1050, 1051, 1052. Procedure.

(f) (1) In a case of actual controversy as to the validity of any order under subsection (e), any person who will be adversely affected by such order if placed in effect may at any time prior to the ninetieth day after such order is issued file a petition with the Circuit Court of Appeals of the United States for the circuit wherein such

Controversies over validity of orders. Petition to proper Circuit Court of Appeals for review.

person resides or has his principal place of business, for a judicial review of such order. The summons and petition may be served at any place in the United States. The Secretary, promptly upon service of the summons and petition, shall certify and file in the court the transcript of the proceedings and the record on which the Secretary based his order.

Leave to adduce additional evidence.

(2) If the petitioner applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Secretary, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Secretary, and to be adduced upon the hearing, in such manner and upon such terms and conditions as to the court may seem proper. The Secretary may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and he shall file such modified or new findings, and his recommendation, if any, for the modification or setting aside of his original order, with the return of such additional evidence.

Court jurisdiction to affirm or set aside order.

(3) The court shall have jurisdiction to affirm the order, or to set it aside in whole or in part, temporarily or permanently. If the order of the Secretary refuses to issue, amend, or repeal a regulation and such order is not in accordance with law the court shall by its judgment order the Secretary to take action, with respect to such regulation, in accordance with law. The findings of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive.

Finality of judgment; review.

28 U. S. C. §§ 346, 347.

(4) The judgment of the court affirming or setting aside, in whole or in part, any such order of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in sections 239 and 240 of the Judicial Code, as amended.

Survival of action.

(5) Any action instituted under this subsection shall survive notwithstanding any change in the person occupying the office of Secretary or any vacancy in such office.

Remedies deemed additional.

(6) The remedies provided for in this subsection shall be in addition to and not in substitution for any other remedies provided by law.

Certified copies of transcript of record and proceedings.

(g) A certified copy of the transcript of the record and proceedings under subsection (e) shall be furnished by the Secretary to any interested party at his request, and payment of the costs thereof, and shall be admissible in any criminal, libel for condemnation, exclusion of imports, or other proceeding arising under or in respect to this Act, irrespective of whether proceedings with respect to the order have previously been instituted or become final under subsection (f).

Admissibility.

#### EXAMINATIONS AND INVESTIGATIONS

Examinations and investigations.

SEC. 702. (a) The Secretary is authorized to conduct examinations and investigations for the purposes of this Act through officers and employees of the Department or through any health, food, or drug officer or employee of any State, Territory, or political subdivision thereof, duly commissioned by the Secretary as an officer of the Department. In the case of food packed in a Territory the Secretary shall attempt to make inspection of such food at the first point of entry within the United States when, in his opinion and with due regard to the enforcement of all the provisions of this Act, the facilities at his disposal will permit of such inspection. For the purposes

of this subsection the term "United States" means the States and the District of Columbia.

(b) Where a sample of a food, drug, or cosmetic is collected for analysis under this Act the Secretary shall, upon request, provide a part of such official sample for examination or analysis by any person named on the label of the article, or the owner thereof, or his attorney or agent; except that the Secretary is authorized, by regulations, to make such reasonable exceptions from, and impose such reasonable terms and conditions relating to, the operation of this subsection as he finds necessary for the proper administration of the provisions of this Act.

(c) For purposes of enforcement of this Act, records of any department or independent establishment in the executive branch of the Government shall be open to inspection by any official of the Department of Agriculture duly authorized by the Secretary to make such inspection.

#### RECORDS OF INTERSTATE SHIPMENT

Records of interstate shipment.

SEC. 703. For the purpose of enforcing the provisions of this Act, carriers engaged in interstate commerce, and persons receiving food, drugs, devices, or cosmetics in interstate commerce or holding such articles so received, shall, upon the request of an officer or employee duly designated by the Secretary, permit such officer or employee, at reasonable times, to have access to and to copy all records showing the movement in interstate commerce of any food, drug, device, or cosmetic, or the holding thereof during or after such movement, and the quantity, shipper, and consignee thereof; and it shall be unlawful for any such carrier or person to fail to permit such access to and copying of any such record so requested when such request is accompanied by a statement in writing specifying the nature or kind of food, drug, device, or cosmetic to which such request relates: *Provided*, That evidence obtained under this section shall not be used in a criminal prosecution of the person from whom obtained: *Provided further*, That carriers shall not be subject to the other provisions of this Act by reason of their receipt, carriage, holding, or delivery of food, drugs, devices, or cosmetics in the usual course of business as carriers.

Access to carrier's, etc., records.

*Proviso.*  
Use in certain criminal prosecutions forbidden.

Waiver of other provisions.

#### FACTORY INSPECTION

SEC. 704. For purposes of enforcement of this Act, officers or employees duly designated by the Secretary, after first making request and obtaining permission of the owner, operator, or custodian thereof, are authorized (1) to enter, at reasonable times, any factory, warehouse, or establishment in which food, drugs, devices, or cosmetics are manufactured, processed, packed, or held, for introduction into interstate commerce or are held after such introduction, or to enter any vehicle being used to transport or hold such food, drugs, devices, or cosmetics in interstate commerce; and (2) to inspect, at reasonable times, such factory, warehouse, establishment, or vehicle and all pertinent equipment, finished and unfinished materials, containers, and labeling therein.

Factory inspection.

#### PUBLICITY

SEC. 705. (a) The Secretary shall cause to be published from time to time reports summarizing all judgments, decrees, and court orders which have been rendered under this Act, including the nature of the charge and the disposition thereof.

Publicity.



Dissemination of information regarding food, drugs, etc.

(b) The Secretary may also cause to be disseminated information regarding food, drugs, devices, or cosmetics in situations involving, in the opinion of the Secretary, imminent danger to health or gross deception of the consumer. Nothing in this section shall be construed to prohibit the Secretary from collecting, reporting, and illustrating the results of the investigations of the Department.

#### COST OF CERTIFICATION OF COAL-TAR COLORS

Cost of certification of coal-tar colors.

SEC. 706. The admitting to listing and certification of coal-tar colors, in accordance with regulations prescribed under this Act, shall be performed only upon payment of such fees, which shall be specified in such regulations, as may be necessary to provide, maintain, and equip an adequate service for such purposes.

Chapter VIII—Imports and exports.

#### CHAPTER VIII—IMPORTS AND EXPORTS

Examination of imported foods, etc.

SEC. 801. (a) The Secretary of the Treasury shall deliver to the Secretary of Agriculture, upon his request, samples of food, drugs, devices, and cosmetics which are being imported or offered for import into the United States, giving notice thereof to the owner or consignee, who may appear before the Secretary of Agriculture and have the right to introduce testimony. If it appears from the examination of such samples or otherwise that (1) such article has been manufactured, processed, or packed under insanitary conditions, or (2) such article is forbidden or restricted in sale in the country in which it was produced or from which it was exported, or (3) such article is adulterated, misbranded, or in violation of section 505, then such article shall be refused admission. This paragraph shall not be construed to prohibit the admission of narcotic drugs the importation of which is permitted under section 2 of the Act of May 26, 1922, as amended (U. S. C., 1934 edition, title 21, sec. 173).

Articles manufactured, etc., under insanitary conditions.

Sale forbidden in exporting, etc., country.  
Adulterated, misbranded, etc.  
*Ante*, p. 1052.  
Admission of narcotic drugs.

42 Stat. 596.  
21 U. S. C. § 173.  
Destruction of inadmissible articles; exception.

(b) The Secretary of the Treasury shall refuse delivery to the consignee and shall cause the destruction of any such article refused admission, unless such article is exported by the consignee within three months from the date of notice of such refusal, under such regulations as the Secretary of the Treasury may prescribe: *Provided*, That the Secretary of the Treasury may deliver to the consignee any such article pending examination and decision in the matter on execution of a bond as liquidated damages for the amount of the full invoice value thereof together with the duty thereon and on refusing for any cause to return such article or any part thereof to the custody of the Secretary of the Treasury when demanded for the purpose of excluding it from the country or for any other purpose, such consignee shall forfeit the full amount of the bond as liquidated damages.

*Provisos*.  
Delivery pending examination.

Bond.

Charges.

(c) All charges for storage, cartage, and labor on any article which is refused admission or delivery shall be paid by the owner or consignee and in default of such payment shall constitute a lien against any future importations made by such owner or consignee.

Food, etc., for export; when deemed not adulterated, etc.

(d) A food, drug, device, or cosmetic intended for export shall not be deemed to be adulterated or misbranded under this Act if it (1) accords to the specifications of the foreign purchaser, (2) is not in conflict with the laws of the country to which it is intended for export, and (3) is labeled on the outside of the shipping package to show that it is intended for export. But if such article is sold or offered for sale in domestic commerce, this subsection shall not exempt it from any of the provisions of this Act.

## CHAPTER IX—MISCELLANEOUS

Chapter IX—Miscellaneous.

## SEPARABILITY CLAUSE

Separability clause.

SEC. 901. If any provision of this Act is declared unconstitutional, or the applicability thereof to any person or circumstances is held invalid, the constitutionality of the remainder of the Act and the applicability thereof to other persons and circumstances shall not be affected thereby.

## EFFECTIVE DATE AND REPEALS

SEC. 902. (a) This Act shall take effect twelve months after the date of its enactment. The Federal Food and Drugs Act of June 30, 1906, as amended (U. S. C., 1934 ed., title 21, secs. 1–15), shall remain in force until such effective date, and, except as otherwise provided in this subsection, is hereby repealed effective upon such date: *Provided*, That the provisions of section 701 shall become effective on the enactment of this Act, and thereafter the Secretary is authorized hereby to (1) conduct hearings and to promulgate regulations which shall become effective on or after the effective date of this Act as the Secretary shall direct, and (2) designate prior to the effective date of this Act food having common or usual names and exempt such food from the requirements of clause (2) of section 403 (i) for a reasonable time to permit the formulation, promulgation, and effective application of definitions and standards of identity therefor as provided by section 401: *Provided further*, That sections 502 (j), 505, and 601 (a), and all other provisions of this Act to the extent that they may relate to the enforcement of such sections, shall take effect on the date of the enactment of this Act, except that in the case of a cosmetic to which the proviso of section 601 (a) relates, such cosmetic shall not, prior to the ninetieth day after such date of enactment, be deemed adulterated by reason of the failure of its label to bear the legend prescribed in such proviso: *Provided further*, That the Act of March 4, 1923 (U. S. C., 1934 ed., title 21, sec. 6; 42 Stat. 1500, ch. 268), defining butter and providing a standard therefor; the Act of July 24, 1919 (U. S. C., 1934 ed., title 21, sec. 10; 41 Stat. 271, ch. 26), defining wrapped meats as in package form; and the amendment to the Food and Drugs Act, section 10A, approved August 27, 1935 (U. S. C., 1934 ed., Sup. III, title 21, sec. 14a), shall remain in force and effect and be applicable to the provisions of this Act.

(b) Meats and meat food products shall be exempt from the provisions of this Act to the extent of the application or the extension thereto of the Meat Inspection Act, approved March 4, 1907, as amended (U. S. C., 1934 ed., title 21, secs. 71–91; 34 Stat. 1260 et seq.).

(c) Nothing contained in this Act shall be construed as in any way affecting, modifying, repealing, or superseding the provisions of the virus, serum, and toxin Act of July 1, 1902 (U. S. C., 1934 ed., title 42, chap. 4); the Filled Cheese Act of June 6, 1896 (U. S. C., 1934 ed., title 26, ch. 10), the Filled Milk Act of March 4, 1923 (U. S. C., 1934 ed., title 21, ch. 3, secs. 61–63); or the Import Milk Act of February 15, 1927 (U. S. C., 1934 ed., title 21, ch. 4, secs. 141–149).

(d) In order to carry out the provisions of this Act which take effect prior to the repeal of the Food and Drugs Act of June 30, 1906, as amended, appropriations available for the enforcement of such Act of June 30, 1906, are also authorized to be made available to carry out such provisions.

Approved, June 25, 1938.

Effective date and repeals.

34 Stat. 768.  
21 U. S. C. §§ 1–15;  
Supp. III, § 14a.Provisos.  
Regulations and  
hearings.  
Ante, p. 1055.

Ante, p. 1048.

Ante, p. 1046.  
Designated provisions  
immediately in  
force; exceptions.  
Ante, pp. 1051, 1052,  
1054.

Applicability of designated Acts.

Definition of butter.  
42 Stat. 1500.  
21 U. S. C. § 6.  
Wrapped meats in  
package form.  
41 Stat. 271.  
21 U. S. C. § 10.  
Sea food regulation.  
49 Stat. 871.  
21 U. S. C., Supp.  
III, § 14a.Meats and meat  
food products.34 Stat. 1260.  
21 U. S. C. §§ 71–91.Virus, serum, and  
toxin Act.32 Stat. 728.  
42 U. S. C. ch. 4.Filled Cheese Act.  
29 Stat. 253.26 U. S. C., ch. 10.  
Filled Milk Act.42 Stat. 1486.  
21 U. S. C., ch. 3.Import Milk Act.  
44 Stat. 1101.21 U. S. C., §§ 141–  
149.Appropriations  
available.

Ante, p. 742.

## [CHAPTER 676]

## AN ACT

June 25, 1938

[S. 2475]

[Public, No. 718]

Fair Labor Stand-  
ards Act of 1938.

To provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Fair Labor Standards Act of 1938".

## FINDING AND DECLARATION OF POLICY

Finding and decla-  
ration of policy.

SEC. 2. (a) The Congress hereby finds that the existence, in industries engaged in commerce or in the production of goods for commerce, of labor conditions detrimental to the maintenance of the minimum standard of living necessary for health, efficiency, and general well-being of workers (1) causes commerce and the channels and instrumentalities of commerce to be used to spread and perpetuate such labor conditions among the workers of the several States; (2) burdens commerce and the free flow of goods in commerce; (3) constitutes an unfair method of competition in commerce; (4) leads to labor disputes burdening and obstructing commerce and the free flow of goods in commerce; and (5) interferes with the orderly and fair marketing of goods in commerce.

(b) It is hereby declared to be the policy of this Act, through the exercise by Congress of its power to regulate commerce among the several States, to correct and as rapidly as practicable to eliminate the conditions above referred to in such industries without substantially curtailing employment or earning power.

## Definitions.

## DEFINITIONS

SEC. 3. As used in this Act—

"Person."

(a) "Person" means an individual, partnership, association, corporation, business trust, legal representative, or any organized group of persons.

"Commerce."

(b) "Commerce" means trade, commerce, transportation, transmission, or communication among the several States or from any State to any place outside thereof.

"State."

(c) "State" means any State of the United States or the District of Columbia or any Territory or possession of the United States.

"Employer."

(d) "Employer" includes any person acting directly or indirectly in the interest of an employer in relation to an employee but shall not include the United States or any State or political subdivision of a State, or any labor organization (other than when acting as an employer), or anyone acting in the capacity of officer or agent of such labor organization.

"Employee."

(e) "Employee" includes any individual employed by an employer.

"Agriculture."

(f) "Agriculture" includes farming in all its branches and among other things includes the cultivation and tillage of the soil, dairying, the production, cultivation, growing, and harvesting of any agricultural or horticultural commodities (including commodities defined as agricultural commodities in section 15 (g) of the Agricultural Marketing Act, as amended), the raising of livestock, bees, fur-bearing animals, or poultry, and any practices (including any forestry or lumbering operations) performed by a farmer or on a farm as an incident to or in conjunction with such farming operations, including preparation for market, delivery to storage or to market or to carriers for transportation to market.

"Employ."

(g) "Employ" includes to suffer or permit to work.

"Industry."

(h) "Industry" means a trade, business, industry, or branch thereof, or group of industries, in which individuals are gainfully employed.

46 Stat. 1550.  
12 U. S. C. § 1141j(g).

(i) "Goods" means goods (including ships and marine equipment), wares, products, commodities, merchandise, or articles or subjects of commerce of any character, or any part or ingredient thereof, but does not include goods after their delivery into the actual physical possession of the ultimate consumer thereof other than a producer, manufacturer, or processor thereof.

"Goods."

(j) "Produced" means produced, manufactured, mined, handled, or in any other manner worked on in any State; and for the purposes of this Act an employee shall be deemed to have been engaged in the production of goods if such employee was employed in producing, manufacturing, mining, handling, transporting, or in any other manner working on such goods, or in any process or occupation necessary to the production thereof, in any State.

"Produced."

(k) "Sale" or "sell" includes any sale, exchange, contract to sell, consignment for sale, shipment for sale, or other disposition.

"Sale" or "sell."

(l) "Oppressive child labor" means a condition of employment under which (1) any employee under the age of sixteen years is employed by an employer (other than a parent or a person standing in place of a parent employing his own child or a child in his custody under the age of sixteen years in an occupation other than manufacturing or mining) in any occupation, or (2) any employee between the ages of sixteen and eighteen years is employed by an employer in any occupation which the Chief of the Children's Bureau in the Department of Labor shall find and by order declare to be particularly hazardous for the employment of children between such ages or detrimental to their health or well-being; but oppressive child labor shall not be deemed to exist by virtue of the employment in any occupation of any person with respect to whom the employer shall have on file an unexpired certificate issued and held pursuant to regulations of the Chief of the Children's Bureau certifying that such person is above the oppressive child-labor age. The Chief of the Children's Bureau shall provide by regulation or by order that the employment of employees between the ages of fourteen and sixteen years in occupations other than manufacturing and mining shall not be deemed to constitute oppressive child labor if and to the extent that the Chief of the Children's Bureau determines that such employment is confined to periods which will not interfere with their schooling and to conditions which will not interfere with their health and well-being.

"Oppressive child labor."

(m) "Wage" paid to any employee includes the reasonable cost, as determined by the Administrator, to the employer of furnishing such employee with board, lodging, or other facilities, if such board, lodging, or other facilities are customarily furnished by such employer to his employees.

"Wage."

#### ADMINISTRATOR

SEC. 4. (a) There is hereby created in the Department of Labor a Wage and Hour Division which shall be under the direction of an Administrator, to be known as the Administrator of the Wage and Hour Division (in this Act referred to as the "Administrator"). The Administrator shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate of \$10,000 a year.

Wage and Hour Division created in Department of Labor.  
*Post*, p. 1139.

Administrator, appointment and compensation.

(b) The Administrator may, subject to the civil-service laws, appoint such employees as he deems necessary to carry out his functions and duties under this Act and shall fix their compensation in accordance with the Classification Act of 1923, as amended. The Administrator may establish and utilize such regional, local, or other agencies, and utilize such voluntary and uncompensated services, as

Personal services.  
5 U. S. C. §§ 631-652,  
661-674; Supp. III,  
§§ 673, 673c.

Regional, etc., agencies.

Attorneys; supervision of litigation.

Appointments, promotions, etc.

Location of principal office.

Annual report to Congress.

Industry committees.

Appointment for each industry, etc.

Composition, etc.

Quorum.

Compensation.

Legal, etc., assistance.

Data, witnesses, etc.

Minimum wages.

Rates.

During first year.

Next six years.

After seven years.

may from time to time be needed. Attorneys appointed under this section may appear for and represent the Administrator in any litigation, but all such litigation shall be subject to the direction and control of the Attorney General. In the appointment, selection, classification, and promotion of officers and employees of the Administrator, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency.

(c) The principal office of the Administrator shall be in the District of Columbia, but he or his duly authorized representative may exercise any or all of his powers in any place.

(d) The Administrator shall submit annually in January a report to the Congress covering his activities for the preceding year and including such information, data, and recommendations for further legislation in connection with the matters covered by this Act as he may find advisable.

#### INDUSTRY COMMITTEES

SEC. 5. (a) The Administrator shall as soon as practicable appoint an industry committee for each industry engaged in commerce or in the production of goods for commerce.

(b) An industry committee shall be appointed by the Administrator without regard to any other provisions of law regarding the appointment and compensation of employees of the United States. It shall include a number of disinterested persons representing the public, one of whom the Administrator shall designate as chairman, a like number of persons representing employees in the industry, and a like number representing employers in the industry. In the appointment of the persons representing each group, the Administrator shall give due regard to the geographical regions in which the industry is carried on.

(c) Two-thirds of the members of an industry committee shall constitute a quorum, and the decision of the committee shall require a vote of not less than a majority of all its members. Members of an industry committee shall receive as compensation for their services a reasonable per diem, which the Administrator shall by rules and regulations prescribe, for each day actually spent in the work of the committee, and shall in addition be reimbursed for their necessary traveling and other expenses. The Administrator shall furnish the committee with adequate legal, stenographic, clerical, and other assistance, and shall by rules and regulations prescribe the procedure to be followed by the committee.

(d) The Administrator shall submit to an industry committee from time to time such data as he may have available on the matters referred to it, and shall cause to be brought before it in connection with such matters any witnesses whom he deems material. An industry committee may summon other witnesses or call upon the Administrator to furnish additional information to aid it in its deliberations.

#### MINIMUM WAGES

SEC. 6. (a) Every employer shall pay to each of his employees who is engaged in commerce or in the production of goods for commerce wages at the following rates—

(1) during the first year from the effective date of this section, not less than 25 cents an hour,

(2) during the next six years from such date, not less than 30 cents an hour,

(3) after the expiration of seven years from such date, not less than 40 cents an hour, or the rate (not less than 30 cents an hour)

prescribed in the applicable order of the Administrator issued under section 8, whichever is lower, and

(4) at any time after the effective date of this section, not less than the rate (not in excess of 40 cents an hour) prescribed in the applicable order of the Administrator issued under section 8.

(b) This section shall take effect upon the expiration of one hundred and twenty days from the date of enactment of this Act.

#### MAXIMUM HOURS

SEC. 7. (a) No employer shall, except as otherwise provided in this section, employ any of his employees who is engaged in commerce or in the production of goods for commerce—

(1) for a workweek longer than forty-four hours during the first year from the effective date of this section,

(2) for a workweek longer than forty-two hours during the second year from such date, or

(3) for a workweek longer than forty hours after the expiration of the second year from such date,

unless such employee receives compensation for his employment in excess of the hours above specified at a rate not less than one and one-half times the regular rate at which he is employed.

(b) No employer shall be deemed to have violated subsection (a) by employing any employee for a workweek in excess of that specified in such subsection without paying the compensation for overtime employment prescribed therein if such employee is so employed—

(1) in pursuance of an agreement, made as a result of collective bargaining by representatives of employees certified as bona fide by the National Labor Relations Board, which provides that no employee shall be employed more than one thousand hours during any period of twenty-six consecutive weeks,

(2) on an annual basis in pursuance of an agreement with his employer, made as a result of collective bargaining by representatives of employees certified as bona fide by the National Labor Relations Board, which provides that the employee shall not be employed more than two thousand hours during any period of fifty-two consecutive weeks, or

(3) for a period or periods of not more than fourteen workweeks in the aggregate in any calendar year in an industry found by the Administrator to be of a seasonal nature,

and if such employee receives compensation for employment in excess of 12 hours in any workday, or for employment in excess of 56 hours in any workweek, as the case may be, at a rate not less than one and one-half times the regular rate at which he is employed.

(c) In the case of an employer engaged in the first processing of milk, whey, skimmed milk, or cream into dairy products, or in the ginning and compressing of cotton, or in the processing of cottonseed, or in the processing of sugar beets, sugar beet molasses, sugarcane, or maple sap, into sugar (but not refined sugar) or into syrup, the provisions of subsection (a) shall not apply to his employees in any place of employment where he is so engaged; and in the case of an employer engaged in the first processing of, or in canning or packing, perishable or seasonal fresh fruits or vegetables, or in the first processing, within the area of production (as defined by the Administrator), of any agricultural or horticultural commodity during seasonal operations, or in handling, slaughtering, or dressing poultry or livestock, the provisions of subsection (a), during a period or periods of not more than fourteen workweeks in the aggregate in any calendar year, shall not apply to his employees in any place of employment where he is so engaged.

*Post*, p. 1064.

Rates prescribed in Administrator's order.

Effective date.

Maximum hours.

Length of workweek.

During first year.

During second year.

After second year.

Compensation for overtime.

Exceptions to restriction on excess employment without overtime compensation.

Dairying, ginning of cotton, processing of sugar beets, etc.

Canning of perishable fruits and vegetables, etc.

Effective date of section.

(d) This section shall take effect upon the expiration of one hundred and twenty days from the date of enactment of this Act.

Wage orders.

#### WAGE ORDERS

Minimum rate of wage.

SEC. 8. (a) With a view to carrying out the policy of this Act by reaching, as rapidly as is economically feasible without substantially curtailing employment, the objective of a universal minimum wage of 40 cents an hour in each industry engaged in commerce or in the production of goods for commerce, the Administrator shall from time to time convene the industry committee for each such industry, and the industry committee shall from time to time recommend the minimum rate or rates of wages to be paid under section 6 by employers engaged in commerce or in the production of goods for commerce in such industry or classifications therein.

*Ante*, p. 1062.

Reference of question to industry committee.

(b) Upon the convening of an industry committee, the Administrator shall refer to it the question of the minimum wage rate or rates to be fixed for such industry. The industry committee shall investigate conditions in the industry and the committee, or any authorized subcommittee thereof, may hear such witnesses and receive such evidence as may be necessary or appropriate to enable the committee to perform its duties and functions under this Act. The committee shall recommend to the Administrator the highest minimum wage rates for the industry which it determines, having due regard to economic and competitive conditions, will not substantially curtail employment in the industry.

Recommendations.

Classifications within any industry.

(c) The industry committee for any industry shall recommend such reasonable classifications within any industry as it determines to be necessary for the purpose of fixing for each classification within such industry the highest minimum wage rate (not in excess of 40 cents an hour) which (1) will not substantially curtail employment in such classification and (2) will not give a competitive advantage to any group in the industry, and shall recommend for each classification in the industry the highest minimum wage rate which the committee determines will not substantially curtail employment in such classification. In determining whether such classifications should be made in any industry, in making such classifications, and in determining the minimum wage rates for such classifications, no classification shall be made, and no minimum wage rate shall be fixed, solely on a regional basis, but the industry committee and the Administrator shall consider among other relevant factors the following:

(1) competitive conditions as affected by transportation, living, and production costs;

(2) the wages established for work of like or comparable character by collective labor agreements negotiated between employers and employees by representatives of their own choosing; and

(3) the wages paid for work of like or comparable character by employers who voluntarily maintain minimum-wage standards in the industry.

No classification shall be made under this section on the basis of age or sex.

Report by industry committee with recommendations.  
Approval by Administrator.

(d) The industry committee shall file with the Administrator a report containing its recommendations with respect to the matters referred to it. Upon the filing of such report, the Administrator, after due notice to interested persons, and giving them an opportunity to be heard, shall by order approve and carry into effect the recommendations contained in such report, if he finds that the recommendations are made in accordance with law, are supported by the evidence

adduced at the hearing, and, taking into consideration the same factors as are required to be considered by the industry committee, will carry out the purposes of this section; otherwise he shall disapprove such recommendations. If the Administrator disapproves such recommendations, he shall again refer the matter to such committee, or to another industry committee for such industry (which he may appoint for such purpose), for further consideration and recommendations.

Disapproval by Administrator.

(e) No order issued under this section with respect to any industry prior to the expiration of seven years from the effective date of section 6 shall remain in effect after such expiration, and no order shall be issued under this section with respect to any industry on or after such expiration, unless the industry committee by a preponderance of the evidence before it recommends, and the Administrator by a preponderance of the evidence adduced at the hearing finds, that the continued effectiveness or the issuance of the order, as the case may be, is necessary in order to prevent substantial curtailment of employment in the industry.

Duration of orders.

*Ante*, p. 1062.

(f) Orders issued under this section shall define the industries and classifications therein to which they are to apply, and shall contain such terms and conditions as the Administrator finds necessary to carry out the purposes of such orders, to prevent the circumvention or evasion thereof, and to safeguard the minimum wage rates established therein. No such order shall take effect until after due notice is given of the issuance thereof by publication in the Federal Register and by such other means as the Administrator deems reasonably calculated to give to interested persons general notice of such issuance.

Orders to define industries and classifications to which applicable; terms, etc.

Publication in Federal Register, etc.

(g) Due notice of any hearing provided for in this section shall be given by publication in the Federal Register and by such other means as the Administrator deems reasonably calculated to give general notice to interested persons.

Notice of hearings.

#### ATTENDANCE OF WITNESSES

SEC. 9. For the purpose of any hearing or investigation provided for in this Act, the provisions of sections 9 and 10 (relating to the attendance of witnesses and the production of books, papers, and documents) of the Federal Trade Commission Act of September 16<sup>1</sup>, 1914, as amended (U. S. C., 1934 edition, title 15, secs. 49 and 50), are hereby made applicable to the jurisdiction, powers, and duties of the Administrator, the Chief of the Children's Bureau, and the industry committees.

Attendance of witnesses, etc.

38 Stat. 722, 723.  
15 U. S. C. §§ 49, 50.

#### COURT REVIEW

SEC. 10. (a) Any person aggrieved by an order of the Administrator issued under section 8 may obtain a review of such order in the circuit court of appeals of the United States for any circuit wherein such person resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia, by filing in such court, within sixty days after the entry of such order, a written petition praying that the order of the Administrator be modified or set aside in whole or in part. A copy of such petition shall forthwith be served upon the Administrator, and thereupon the Administrator shall certify and file in the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript such court shall have exclusive jurisdiction to affirm, modify, or set aside such order in whole or in part, so far as it is applicable to the petitioner. The review by the court shall be limited to questions of law, and findings of fact by the Administrator when supported by substantial evidence shall be conclusive. No objection to the order

Court review.

*Ante*, p. 1064.

Filing of petition, service, etc.

Limitation.

<sup>1</sup> So in original.



Additional evidence.

Finality of judgment and decree; review.

36 Stat. 1157.  
28 U. S. C. §§ 346, 347.

Commencement of proceedings not a stay of order; exception.

of the Administrator shall be considered by the court unless such objection shall have been urged before the Administrator or unless there were reasonable grounds for failure so to do. If application is made to the court for leave to adduce additional evidence, and it is shown to the satisfaction of the court that such additional evidence may materially affect the result of the proceeding and that there were reasonable grounds for failure to adduce such evidence in the proceeding before the Administrator, the court may order such additional evidence to be taken before the Administrator and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper. The Administrator may modify his findings by reason of the additional evidence so taken, and shall file with the court such modified or new findings which if supported by substantial evidence shall be conclusive, and shall also file his recommendation, if any, for the modification or setting aside of the original order. The judgment and decree of the court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in sections 239 and 240 of the Judicial Code, as amended (U. S. C., title 28, secs. 346 and 347).

(b) The commencement of proceedings under subsection (a) shall not, unless specifically ordered by the court, operate as a stay of the Administrator's order. The court shall not grant any stay of the order unless the person complaining of such order shall file in court an undertaking with a surety or sureties satisfactory to the court for the payment to the employees affected by the order, in the event such order is affirmed, of the amount by which the compensation such employees are entitled to receive under the order exceeds the compensation they actually receive while such stay is in effect.

#### INVESTIGATIONS, INSPECTIONS, AND RECORDS

Investigations, inspections, and records.

*Post*, p. 1067.

*Post*, p. 1069.

Utilization of services of State and local agencies.

Maintenance of records of employees.

SEC. 11. (a) The Administrator or his designated representatives may investigate and gather data regarding the wages, hours, and other conditions and practices of employment in any industry subject to this Act, and may enter and inspect such places and such records (and make such transcriptions thereof), question such employees, and investigate such facts, conditions, practices, or matters as he may deem necessary or appropriate to determine whether any person has violated any provision of this Act, or which may aid in the enforcement of the provisions of this Act. Except as provided in section 12 and in subsection (b) of this section, the Administrator shall utilize the bureaus and divisions of the Department of Labor for all the investigations and inspections necessary under this section. Except as provided in section 12, the Administrator shall bring all actions under section 17 to restrain violations of this Act.

(b) With the consent and cooperation of State agencies charged with the administration of State labor laws, the Administrator and the Chief of the Children's Bureau may, for the purpose of carrying out their respective functions and duties under this Act, utilize the services of State and local agencies and their employees and, notwithstanding any other provision of law, may reimburse such State and local agencies and their employees for services rendered for such purposes.

(c) Every employer subject to any provision of this Act or of any order issued under this Act shall make, keep, and preserve such records of the persons employed by him and of the wages, hours, and other conditions and practices of employment maintained by him, and shall preserve such records for such periods of time, and shall

make such reports therefrom to the Administrator as he shall prescribe by regulation or order as necessary or appropriate for the enforcement of the provisions of this Act or the regulations or orders thereunder.

#### CHILD LABOR PROVISIONS

SEC. 12. (a) After the expiration of one hundred and twenty days from the date of enactment of this Act, no producer, manufacturer, or dealer shall ship or deliver for shipment in commerce any goods produced in an establishment situated in the United States in or about which within thirty days prior to the removal of such goods therefrom any oppressive child labor has been employed: *Provided*, That a prosecution and conviction of a defendant for the shipment or delivery for shipment of any goods under the conditions herein prohibited shall be a bar to any further prosecution against the same defendant for shipments or deliveries for shipment of any such goods before the beginning of said prosecution.

Child labor provisions.

*Proviso.*  
Effect of prosecution and conviction.

(b) The Chief of the Children's Bureau in the Department of Labor, or any of his authorized representatives, shall make all investigations and inspections under section 11 (a) with respect to the employment of minors, and, subject to the direction and control of the Attorney General, shall bring all actions under section 17 to enjoin any act or practice which is unlawful by reason of the existence of oppressive child labor, and shall administer all other provisions of this Act relating to oppressive child labor.

Investigations and inspections.

*Ante*, p. 1066.

*Post*, p. 1069.

#### EXEMPTIONS

SEC. 13. (a) The provisions of sections 6 and 7 shall not apply with respect to (1) any employee employed in a bona fide executive, administrative, professional, or local retailing capacity, or in the capacity of outside salesman (as such terms are defined and delimited by regulations of the Administrator); or (2) any employee engaged in any retail or service establishment the greater part of whose selling or servicing is in intrastate commerce; or (3) any employee employed as a seaman; or (4) any employee of a carrier by air subject to the provisions of title II of the Railway Labor Act; or (5) any employee employed in the catching, taking, harvesting, cultivating, or farming of any kind of fish, shellfish, crustacea, sponges, seaweeds, or other aquatic forms of animal and vegetable life, including the going to and returning from work and including employment in the loading, unloading, or packing of such products for shipment or in propagating, processing, marketing, freezing, canning, curing, storing, or distributing the above products or byproducts thereof; or (6) any employee employed in agriculture; or (7) any employee to the extent that such employee is exempted by regulations or orders of the Administrator issued under section 14; or (8) any employee employed in connection with the publication of any weekly or semiweekly newspaper with a circulation of less than three thousand the major part of which circulation is within the county where printed and published; or (9) any employee of a street, suburban, or interurban electric railway, or local trolley or motor bus carrier, not included in other exemptions contained in this section; or (10) to any individual employed within the area of production (as defined by the Administrator), engaged in handling, packing, storing, ginning, compressing, pasteurizing, drying, preparing in their raw or natural state, or canning of agricultural or horticultural commodities for market, or in making cheese or butter or other dairy products.

Exemptions.

Executive, etc., positions.  
*Ante*, pp. 1062, 1063.

Intrastate retailing or servicing.

Seamen.

Carriers by air.

49 Stat. 1189.  
45 U. S. C., Supp. III, §§ 181-188.  
Fishery employees.

Agriculture.

Learners, apprentices, etc.

*Post*, p. 1068.  
Newspaper employees.

Street railway, etc., employees.

Canning, etc.

Common carriers,  
established regula-  
tions not affected.

49 Stat. 546.  
49 U. S. C., Supp.  
III, § 304.

49 U. S. C. ch. 1;  
Supp. III, ch. 1.  
Child labor.  
*Ante*, p. 1067.

(b) The provisions of section 7 shall not apply with respect to (1) any employee with respect to whom the Interstate Commerce Commission has power to establish qualifications and maximum hours of service pursuant to the provisions of section 204 of the Motor Carrier Act, 1935; or (2) any employee of an employer subject to the provisions of Part I of the Interstate Commerce Act.

(c) The provisions of section 12 relating to child labor shall not apply with respect to any employee employed in agriculture while not legally required to attend school, or to any child employed as an actor in motion pictures or theatrical productions.

#### LEARNERS, APPRENTICES, AND HANDICAPPED WORKERS

Learners, appren-  
tices, and handi-  
capped workers.

*Ante*, p. 1062.

SEC. 14. The Administrator, to the extent necessary in order to prevent curtailment of opportunities for employment, shall by regulations or by orders provide for (1) the employment of learners, of apprentices, and of messengers employed exclusively in delivering letters and messages, under special certificates issued pursuant to regulations of the Administrator, at such wages lower than the minimum wage applicable under section 6 and subject to such limitations as to time, number, proportion, and length of service as the Administrator shall prescribe, and (2) the employment of individuals whose earning capacity is impaired by age or physical or mental deficiency or injury, under special certificates issued by the Administrator, at such wages lower than the minimum wage applicable under section 6 and for such period as shall be fixed in such certificates.

#### PROHIBITED ACTS

Prohibited acts.

SEC. 15. (a) After the expiration of one hundred and twenty days from the date of enactment of this Act, it shall be unlawful for any person—

Transportation, etc.,  
of goods produced in  
violation of wage or  
hour provisions, etc.

*Ante*, pp. 1062, 1063.

Exception.

Violations of wage  
or hour provisions,  
etc.

Discrimination  
against employee fil-  
ing complaint, etc.

Violation of child  
labor provisions.  
Reports, records,  
etc.  
*Ante*, p. 1066.

(1) to transport, offer for transportation, ship, deliver, or sell in commerce, or to ship, deliver, or sell with knowledge that shipment or delivery or sale thereof in commerce is intended, any goods in the production of which any employee was employed in violation of section 6 or section 7, or in violation of any regulation or order of the Administrator issued under section 14; except that no provision of this Act shall impose any liability upon any common carrier for the transportation in commerce in the regular course of its business of any goods not produced by such common carrier, and no provision of this Act shall excuse any common carrier from its obligation to accept any goods for transportation;

(2) to violate any of the provisions of section 6 or section 7, or any of the provisions of any regulation or order of the Administrator issued under section 14;

(3) to discharge or in any other manner discriminate against any employee because such employee has filed any complaint or instituted or caused to be instituted any proceeding under or related to this Act, or has testified or is about to testify in any such proceeding, or has served or is about to serve on an industry committee.

(4) to violate any of the provisions of section 12;

(5) to violate any of the provisions of section 11 (c), or to make any statement, report, or record filed or kept pursuant to the provisions of such section or of any regulation or order thereunder, knowing such statement, report, or record to be false in a material respect.

(b) For the purposes of subsection (a) (1) proof that any employee was employed in any place of employment where goods shipped or sold in commerce were produced, within ninety days prior to the removal of the goods from such place of employment, shall be prima facie evidence that such employee was engaged in the production of such goods.

Transportation in commerce of goods unlawfully produced; proof of employment.

#### PENALTIES

SEC. 16. (a) Any person who willfully violates any of the provisions of section 15 shall upon conviction thereof be subject to a fine of not more than \$10,000, or to imprisonment for not more than six months, or both. No person shall be imprisoned under this subsection except for an offense committed after the conviction of such person for a prior offense under this subsection.

Penalties.

(b) Any employer who violates the provisions of section 6 or section 7 of this Act shall be liable to the employee or employees affected in the amount of their unpaid minimum wages, or their unpaid overtime compensation, as the case may be, and in an additional equal amount as liquidated damages. Action to recover such liability may be maintained in any court of competent jurisdiction by any one or more employees for and in behalf of himself or themselves and other employees similarly situated, or such employee or employees may designate an agent or representative to maintain such action for and in behalf of all employees similarly situated. The court in such action shall, in addition to any judgment awarded to the plaintiff or plaintiffs, allow a reasonable attorney's fee to be paid by the defendant, and costs of the action.

*Ante*, pp. 1062, 1063.

#### INJUNCTION PROCEEDINGS

SEC. 17. The district courts of the United States and the United States courts of the Territories and possessions shall have jurisdiction, for cause shown, and subject to the provisions of section 20 (relating to notice to opposite party) of the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, as amended (U. S. C., 1934 edition, title 28, sec. 381), to restrain violations of section 15.

Injunction proceedings.

38 Stat. 737.  
28 U. S. C. § 381.

#### RELATION TO OTHER LAWS

SEC. 18. No provision of this Act or of any order thereunder shall excuse noncompliance with any Federal or State law or municipal ordinance establishing a minimum wage higher than the minimum wage established under this Act or a maximum workweek lower than the maximum workweek established under this Act, and no provision of this Act relating to the employment of child labor shall justify noncompliance with any Federal or State law or municipal ordinance establishing a higher standard than the standard established under this Act. No provision of this Act shall justify any employer in reducing a wage paid by him which is in excess of the applicable minimum wage under this Act, or justify any employer in increasing hours of employment maintained by him which are shorter than the maximum hours applicable under this Act.

Relation to other laws.

#### SEPARABILITY OF PROVISIONS

SEC. 19. If any provision of this Act or the application of such provision to any person or circumstance is held invalid, the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby.

Separability of provisions.

Approved, June 25, 1938.

## [CHAPTER 677]

## AN ACT

June 25, 1938  
[S. 3255]  
[Public, No. 719]

To provide for the establishment of a mechanism of regulation among over-the-counter brokers and dealers operating in interstate and foreign commerce or through the mails, to prevent acts and practices inconsistent with just and equitable principles of trade, and for other purposes.

Securities Exchange  
Act of 1934, amend-  
ments.

48 Stat. 895.  
15 U. S. C. § 780;  
Supp. III, § 780.

Associations of bro-  
kers or dealers, regis-  
tration as national  
securities associations,  
etc.

Registration state-  
ment, form, contents,  
etc.; documents to  
accompany.

Data as to organiza-  
tion, membership,  
etc.

Copies of constitu-  
tion, charter, etc.

Registration not a  
waiver of constitu-  
tional rights, etc.

Registration require-  
ments.

Ability to comply  
with Act.

Open to dealers in  
securities otherwise  
than on national secu-  
rities exchange; excep-  
tion.

Proviso.  
Membership re-  
strictions.

Disqualifications  
from membership.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Securities Exchange Act of 1934, as amended, is amended by inserting after section 15 thereof the following new section:

"SEC. 15A. (a) Any association of brokers or dealers may be registered with the Commission as a national securities association pursuant to subsection (b), or as an affiliated securities association pursuant to subsection (d), under the terms and conditions hereinafter provided in this section, by filing with the Commission a registration statement in such form as the Commission may prescribe, setting forth the information, and accompanied by the documents, below specified:

"(1) Such data as to its organization, membership, and rules of procedure, and such other information as the Commission may by rules and regulations require as necessary or appropriate in the public interest or for the protection of investors; and

"(2) Copies of its constitution, charter, or articles of incorporation or association, with all amendments thereto, and of its existing bylaws, and of any rules or instruments corresponding to the foregoing, whatever the name, hereinafter in this title collectively referred to as the 'rules of the association'.

Such registration shall not be construed as a waiver by such association or any member thereof of any constitutional right or of any right to contest the validity of any rule or regulation of the Commission under this title.

"(b) An applicant association shall not be registered as a national securities association unless it appears to the Commission that—

"(1) by reason of the number of its members, the scope of their transactions, and the geographical distribution of its members such association will be able to comply with the provisions of this title and the rules and regulations thereunder and to carry out the purposes of this section;

"(2) such association is so organized and is of such a character as to be able to comply with the provisions of this title and the rules and regulations thereunder, and to carry out the purposes of this section;

"(3) the rules of the association provide that any broker or dealer who makes use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce the purchase or sale of, any security otherwise than on a national securities exchange, may become a member of such association, except such as are excluded pursuant to paragraph (4) of this subsection: *Provided*, That the rules of the association may restrict membership in such association on such specified geographical basis, or on such specified basis relating to the type of business done by its members, or on such other specified and appropriate basis, as appears to the Commission to be necessary or appropriate in the public interest or for the protection of investors and to carry out the purpose of this section;

"(4) the rules of the association provide that, except with the approval or at the direction of the Commission in cases in which the Commission finds it appropriate in the public interest

so to approve or direct, no broker or dealer shall be admitted to or continued in membership in such association, if (1) such broker or dealer, whether prior or subsequent to becoming such, or (2) any partner, officer, director, or branch manager of such broker or dealer (or any person occupying a similar status or performing similar functions), or any person directly or indirectly controlling or controlled by such broker or dealer, whether prior or subsequent to becoming such, (A) has been and is suspended or expelled from a registered securities association (whether national or affiliated) or from a national securities exchange, for violation of any rule of such association or exchange which prohibits any act or transaction constituting conduct inconsistent with just and equitable principles of trade, or requires any act the omission of which constitutes conduct inconsistent with just and equitable principles of trade, or (B) is subject to an order of the Commission denying or revoking his registration pursuant to section 15 of this title, or expelling or suspending him from membership in a registered securities association or a national securities exchange, or (C) by his conduct while employed by, acting for, or directly or indirectly controlling or controlled by, a broker or dealer, was a cause of any suspension, expulsion, or order of the character described in clause (A) or (B) which is in effect with respect to such broker or dealer;

“(5) the rules of the association assure a fair representation of its members in the adoption of any rule of the association or amendment thereto, the selection of its officers and directors, and in all other phases of the administration of its affairs;

“(6) the rules of the association provide for the equitable allocation of dues among its members, to defray reasonable expenses of administration;

“(7) the rules of the association are designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to provide safeguards against unreasonable profits or unreasonable rates of commissions or other charges, and, in general, to protect investors and the public interest, and to remove impediments to and perfect the mechanism of a free and open market; and are not designed to permit unfair discrimination between customers or issuers, or brokers or dealers, to fix minimum profits, to impose any schedule of prices, or to impose any schedule or fix minimum rates of commissions, allowances, discounts, or other charges;

“(8) the rules of the association provide that its members shall be appropriately disciplined, by expulsion, suspension, fine, censure, or any other fitting penalty, for any violation of its rules;

“(9) the rules of the association provide a fair and orderly procedure with respect to the disciplining of members and the denial of membership to any broker or dealer seeking membership therein. In any proceeding to determine whether any member shall be disciplined, such rules shall require that specific charges be brought; that such member shall be notified of, and be given an opportunity to defend against, such charges; that a record shall be kept; and that the determination shall include (A) a statement setting forth any act or practice in which such member may be found to have engaged, or which such member may be found to have omitted, (B) a statement setting forth the specific rule or rules of the association of which any such act or practice, or omission to act, is deemed to be in violation, (C) a

Improper conduct.

Order denying or  
revoking registration,  
etc.  
43 Stat. 895.  
15 U. S. C. § 78o;  
Supp. III, § 78o.

Suspension, etc., be-  
cause of conduct while  
employed.

Fair representation  
of members in admin-  
istration.

Dues.

Purpose of rules.

Discipline.

Fair and orderly  
procedure in disciplin-  
ing members, etc.

statement whether the acts or practices prohibited by such rule or rules, or the omission of any act required thereby, are deemed to constitute conduct inconsistent with just and equitable principles of trade, and (D) a statement setting forth the penalty imposed. In any proceeding to determine whether a broker or dealer shall be denied membership, such rules shall provide that the broker or dealer shall be notified of, and be given an opportunity to be heard upon, the specific grounds for denial which are under consideration; that a record shall be kept; and that the determination shall set forth the specific grounds upon which the denial is based; and

“(10) the requirements of subsection (c), insofar as these may be applicable, are satisfied.

Affiliated securities association.  
Participation in applicant association as an affiliate.

“(c) The Commission may permit or require the rules of an association applying for registration pursuant to subsection (b), to provide for the admission of an association registered as an affiliated securities association pursuant to subsection (d), to participation in said applicant association as an affiliate thereof, under terms permitting such powers and responsibilities to such affiliate, and under such other appropriate terms and conditions, as may be provided by the rules of said applicant association, if such rules appear to the Commission to be necessary or appropriate in the public interest or for the protection of investors and to carry out the purposes of this section. The duties and powers of the Commission with respect to any national securities association or any affiliated securities association shall in no way be limited by reason of any such affiliation.

Requirements of applicant association.

“(d) An applicant association shall not be registered as an affiliated securities association unless it appears to the Commission that—

“(1) such association, notwithstanding that it does not satisfy the requirements set forth in paragraph (1) of subsection (b), will, forthwith upon the registration thereof, be admitted to affiliation with an association registered as a national securities association pursuant to said subsection (b), in the manner and under the terms and conditions provided by the rules of said national securities association in accordance with subsection (c); and

“(2) such association and its rules satisfy the requirements set forth in paragraphs (2) to (9), inclusive, of subsection (b); except that in the case of any such association any restrictions upon membership therein of the type authorized by paragraph (3) of subsection (b) shall not be less stringent than in the case of the national securities association with which such association is to be affiliated.

Registration if requirement satisfied.

“(e) Upon the filing of an application for registration pursuant to subsection (b) or subsection (d), the Commission shall by order grant such registration if the requirements of this section are satisfied. If, after appropriate notice and opportunity for hearing, it appears to the Commission that any requirement of this section is not satisfied, the Commission shall by order deny such registration. If any association granted registration as an affiliated securities association pursuant to subsection (d) shall fail to be admitted promptly thereafter to affiliation with a registered national securities association, the Commission shall revoke the registration of such affiliated securities association.

Denial if requirement not satisfied.

Failure to be admitted to affiliation with registered national securities association.

Withdrawal from registration.

“(f) A registered securities association (whether national or affiliated) may, upon such reasonable notice as the Commission may deem necessary in the public interest or for the protection of investors, withdraw from registration by filing with the Commission a

written notice of withdrawal in such form as the Commission may by rules and regulations prescribe. Upon the withdrawal of a national securities association from registration, the registration of any association affiliated therewith shall automatically terminate.

“(g) If any registered securities association (whether national or affiliated) shall take any disciplinary action against any member thereof, or shall deny admission to any broker or dealer seeking membership therein, such action shall be subject to review by the Commission, on its own motion, or upon application by any person aggrieved thereby filed within sixty days after such action has been taken or within such longer period as the Commission may determine. Application to the Commission for review, or the institution of review by the Commission on its own motion, shall operate as a stay of such action until an order is issued upon such review pursuant to subsection (h).

Review of disciplinary action, etc., by registered securities association against member.

Application for review, to operate as a stay of such action.

“(h) (1) In a proceeding to review disciplinary action taken by a registered securities association against a member thereof, if the Commission, after appropriate notice and opportunity for hearing, upon consideration of the record before the association and such other evidence as it may deem relevant, shall (A) find that such member has engaged in such acts or practices, or has omitted such act, as the association has found him to have engaged in or omitted, and (B) shall determine that such acts or practices, or omission to act, are in violation of such rules of the association as have been designated in the determination of the association, the Commission shall by order dismiss the proceeding, unless it appears to the Commission that such action should be modified in accordance with paragraph (2) of this subsection. The Commission shall likewise determine whether the acts or practices prohibited, or the omission of any act required, by any such rule constitute conduct inconsistent with just and equitable principles of trade, and shall so declare. If it appears to the Commission that the evidence does not warrant the finding required in clause (A), or if the Commission shall determine that such acts or practices as are found to have been engaged in are not prohibited by the designated rule or rules of the association, or that such act as is found to have been omitted is not required by such designated rule or rules, the Commission shall by order set aside the action of the association.

Procedure in reviewing disciplinary action.

If evidence does not warrant finding.

“(2) If, after appropriate notice and opportunity for hearing, the Commission finds that any penalty imposed upon a member is excessive or oppressive, having due regard to the public interest, the Commission shall by order cancel, reduce, or require the remission of such penalty.

If penalty imposed is excessive, etc.

“(3) In any proceeding to review the denial of membership in a registered securities association, if the Commission, after appropriate notice and hearing, and upon consideration of the record before the association and such other evidence as it may deem relevant, shall determine that the specific grounds on which such denial is based exist in fact and are valid under this section, the Commission shall by order dismiss the proceeding; otherwise, the Commission shall by order set aside the action of the association and require it to admit the applicant broker or dealer to membership therein.

Proceedings to review denial of membership.

“(i) (1) The rules of a registered securities association may provide that no member thereof shall deal with any nonmember broker or dealer (as defined in paragraph (2) of this subsection) except at the same prices, for the same commissions or fees, and on the same terms and conditions as are by such member accorded to the general public.

Transactions with nonmember broker or dealer.



"Nonmember broker or dealer" construed.

"(2) For the purposes of this subsection, the term 'nonmember broker or dealer' shall include any broker or dealer who makes use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce the purchase or sale of, any security otherwise than on a national securities exchange, who is not a member of any registered securities association, except a broker or dealer who deals exclusively in commercial paper, bankers' acceptances, or commercial bills.

Dealer's discount, etc.

"(3) Nothing in this subsection shall be so construed or applied as to prevent any member of a registered securities association from granting to any other member of any registered securities association any dealer's discount, allowance, commission, or special terms.

Changes in or additions to association's rules to be filed with Commission.

"(j) Every registered securities association shall file with the Commission in accordance with such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors, copies of any changes in or additions to the rules of the association, and such other information and documents as the Commission may require to keep current or to supplement the registration statement and documents filed pursuant to subsection (a). Any change in or addition to the rules of a registered securities association shall take effect upon the thirtieth day after the filing of a copy thereof with the Commission, or upon such earlier date as the Commission may determine, unless the Commission shall enter an order disapproving such change or addition; and the Commission shall enter such an order unless such change or addition appears to the Commission to be consistent with the requirements of subsection (b) and subsection (d).

When effective.

Authority of Commission to abrogate rules.

"(k) (1) The Commission is authorized by order to abrogate any rule of a registered securities association, if after appropriate notice and opportunity for hearing, it appears to the Commission that such abrogation is necessary or appropriate to assure fair dealing by the members of such association, to assure a fair representation of its members in the administration of its affairs or otherwise to protect investors or effectuate the purposes of this title.

Alterations of or supplements to association's rules.

"(2) The Commission may in writing request any registered securities association to adopt any specified alteration of or supplement to its rules with respect to any of the matters hereinafter enumerated. If such association fails to adopt such alteration or supplement within a reasonable time, the Commission is authorized by order to alter or supplement the rules of such association in the manner theretofore requested if, after appropriate notice and opportunity for hearing, it appears to the Commission that such alteration or supplement is necessary or appropriate in the public interest or for the protection of investors or to effectuate the purposes of this section, with respect to: (1) The basis for, and procedure in connection with, the denial of membership or the disciplining of members; (2) the method for adoption of any change in or addition to the rules of the association; (3) the method of choosing officers and directors; and (4) affiliation between registered securities associations.

Powers of Commission.

"(1) The Commission is authorized, if such action appears to it to be necessary or appropriate in the public interest or for the protection of investors or to carry out the purposes of this section—

Suspension or revocation of registration of a registered securities association.

"(1) after appropriate notice and opportunity for hearing, by order to suspend for a period not exceeding twelve months or to revoke the registration of a registered securities association, if the Commission finds that such association has violated any provision of this title or any rule or regulation thereunder, or has failed to enforce compliance with its own rules, or has engaged in any other activity tending to defeat the purposes of this section;

"(2) after appropriate notice and opportunity for hearing, by order to suspend for a period not exceeding twelve months or to expel from a registered securities association any member thereof who the Commission finds (A) has violated any provision of this title or any rule or regulation thereunder, or has effected any transaction for any other person who, he had reason to believe, was violating with respect to such transaction any provision of this title or any rule or regulation thereunder, or (B) has willfully violated any provision of the Securities Act of 1933, as amended, or of any rule or regulation thereunder, or has effected any transaction for any other person who, he had reason to believe, was willfully violating with respect to such transaction any provision of such Act or rule or regulation;

Suspension or expulsion of any member.

"(3) after appropriate notice and opportunity for hearing, by order to remove from office any officer or director of a registered securities association who, the Commission finds, has willfully failed to enforce the rules of the association, or has willfully abused his authority.

Removal from office of officers or directors of associations.

"(m) Nothing in this section shall be construed to apply with respect to any transaction by a broker or dealer in any exempted security.

Transactions in exempted securities.

"(n) If any provision of this section is in conflict with any provision of any law of the United States in force on the date this section takes effect, the provision of this section shall prevail."

Conflicting provisions superseded.

SEC. 2. Subsection (c) of section 15 of such Act, as amended, is amended to read as follows:

49 Stat. 1378.

"(c) (1) No broker or dealer shall make use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce the purchase or sale of, any security (other than commercial paper, bankers' acceptances, or commercial bills) otherwise than on a national securities exchange, by means of any manipulative, deceptive, or other fraudulent device or contrivance. The Commission shall, for the purposes of this subsection, by rules and regulations define such devices or contrivances as are manipulative, deceptive, or otherwise fraudulent.

Use of mails, etc., to induce purchase or sale by fraudulent devices.

"(2) No broker or dealer shall make use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any security (other than an exempted security or commercial paper, bankers' acceptances, or commercial bills) otherwise than on a national securities exchange, in connection with which such broker or dealer engages in any fraudulent, deceptive, or manipulative act or practice, or makes any fictitious quotation. The Commission shall, for the purposes of this paragraph, by rules and regulations define, and prescribe means reasonably designed to prevent, such acts and practices as are fraudulent, deceptive, or manipulative and such quotations as are fictitious.

Definition by Commission.

Fictitious quotations, etc.

"(3) No broker or dealer shall make use of the mails or of any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any security (other than an exempted security or commercial paper, bankers' acceptances, or commercial bills) otherwise than on a national securities exchange, in contravention of such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors to provide safeguards with respect to the financial responsibility of brokers and dealers."

Definition by Commission.

Transactions in contravention of Commission's rules, etc.

48 Stat. 903.  
15 U. S. C. § 78cc.

Validity of designated contracts.

*Ante*, p. 1075.

Time limitation.

48 Stat. 904; 49 Stat. 1380.

15 U. S. C. § 78ff; Supp. III, § 78ff. Penalties, etc.

Section inapplicable to violations of designated rules; exception.

*Ante*, p. 1075.

Accounts and records, etc.; requirements.

48 Stat. 897; 49 Stat. 1379.

15 U. S. C. § 78g; Supp. III, § 78g.

SEC. 3. Subsection (b) of section 29 of such Act is amended by inserting before the period at the end thereof a colon and the following: "*Provided*, (A) That no contract shall be void by reason of this subsection because of any violation of any rule or regulation prescribed pursuant to paragraph (2) or (3) of subsection (c) of section 15 of this title, and (B) that no contract shall be deemed to be void by reason of this subsection in any action maintained in reliance upon this subsection, by any person to or for whom any broker or dealer sells, or from or for whom any broker or dealer purchases, a security in violation of any rule or regulation prescribed pursuant to paragraph (1) of subsection (c) of section 15 of this title, unless such action is brought within one year after the discovery that such sale or purchase involves such violation and within three years after such violation".

SEC. 4. Section 32 of such Act, as amended, is amended by adding at the end thereof the following new subsection:

"(c) The provisions of this section shall not apply in the case of any violation of any rule or regulation prescribed pursuant to paragraph (3) of subsection (c) of section 15 of this title, except a violation which consists of making, or causing to be made, any statement in any report or document required to be filed under any such rule or regulation, which statement was at the time and in the light of the circumstances under which it was made false or misleading with respect to any material fact."

SEC. 5. Subsection (a) of section 17 of such Act, as amended, is amended by inserting immediately after the words "every broker or dealer who transacts a business in securities through the medium of any such member," the words "every registered securities association,".

Approved, June 25, 1938.

## [CHAPTER 678]

### AN ACT

June 25, 1938  
[H. R. 1531]

[Public, No. 720]

Extending the classified civil service to include postmasters of the first, second, and third classes, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That postmasters of the first, second, and third classes shall hereafter be appointed in the classified service without term by the President by and with the advice and consent of the Senate: *Provided*, That postmasters now serving may continue to serve until the end of their terms, but they shall not acquire a classified civil service status at the expiration of such terms of office except as provided in Section 2 hereof.

SEC. 2. Appointments to positions of postmaster at first-, second-, and third-class post offices shall be made by the reappointment and classification, non-competitively, of the incumbent postmaster, or by promotion from within the Postal Service in accordance with the provisions of the Civil Service Act and Rules, or by competitive examination, in accordance with the provisions of the Civil Service Act and Rules. No person shall be eligible for appointment under this section unless such person has actually resided within the delivery of the office to which he is appointed, or within the city or town where the same is situated for one year next preceding the date of such appointment, if the appointment is made without competitive examination; or for one year preceding the date fixed for the close of receipt of applications for examination, if the appointment is made after competitive examination.

Postal Service.  
Postmasters of the first, second, and third classes.

Appointment in classified service without term.

*Proviso*.  
Status of present incumbents.

Manner of appointment.

Classification, non-competitively.  
Promotion.

Competitive examination.

Residence requirement.

SEC. 3. Appointments of acting postmasters in all classes of post offices shall be made by the Postmaster General: *Provided*, That acting postmasters shall serve not to exceed six months from the date of their designation, except that the Postmaster General may extend the period of service of any acting postmaster beyond such six months' period with the permission of the Civil Service Commission.

SEC. 4. All Acts or parts of Acts inconsistent herewith are hereby repealed.

Approved, June 25, 1938.

Acting postmasters,  
appointments by  
Postmaster General.  
*Proviso.*  
Service limitation.

Inconsistent laws re-  
pealed.

[CHAPTER 679]

AN ACT

To amend certain administrative provisions of the Tariff Act of 1930, and for other purposes.

June 25, 1938  
[H. R. 8099]

[Public, No. 721]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That this Act may be cited as the "Customs Administrative Act of 1938".

SEC. 2. Sections 1, 201, 401 (k), 557, and 562 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, secs. 1001, 1201, 1401 (k), 1557, and 1562) and section 401 (a) of the Anti-Smuggling Act (U. S. C., 1934 edition, Supp. III, title 19, sec. 1709 (a)) are hereby amended by inserting "Wake Island, Midway Islands, Kingman Reef," before the words "and the island of Guam" and before the words "or the island of Guam" wherever such words appear in each such section.

SEC. 3. Section 304 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1304) is hereby amended to read as follows:

"SEC. 304. MARKING OF IMPORTED ARTICLES AND CONTAINERS.

"(a) MARKING OF ARTICLES.—Except as hereinafter provided, every article of foreign origin (or its container, as provided in subsection (b) hereof) imported into the United States shall be marked in a conspicuous place as legibly, indelibly, and permanently as the nature of the article (or container) will permit in such manner as to indicate to an ultimate purchaser in the United States the English name of the country of origin of the article. The Secretary of the Treasury may by regulations—

"(1) Determine the character of words and phrases or abbreviations thereof which shall be acceptable as indicating the country of origin and prescribe any reasonable method of marking, whether by printing, stenciling, stamping, branding, labeling, or by any other reasonable method, and a conspicuous place on the article (or container) where the marking shall appear;

"(2) Require the addition of any other words or symbols which may be appropriate to prevent deception or mistake as to the origin of the article or as to the origin of any other article with which such imported article is usually combined subsequent to importation but before delivery to an ultimate purchaser; and

"(3) Authorize the exception of any article from the requirements of marking if—

"(A) Such article is incapable of being marked;

"(B) Such article cannot be marked prior to shipment to the United States without injury;

"(C) Such article cannot be marked prior to shipment to the United States, except at an expense economically prohibitive of its importation;

"(D) The marking of a container of such article will reasonably indicate the origin of such article;

Customs Adminis-  
trative Act of 1938.

Areas excluded from  
territory in which  
tariff laws are appli-  
cable.

46 Stat. 590, 672, 708,  
744, 745.  
19 U. S. C. §§ 1001,  
1201, 1401 (k), 1557,  
1562; Supp. III, § 1201.  
49 Stat. 529.  
19 U. S. C., Supp.  
III, § 1709 (a).  
46 Stat. 687.  
19 U. S. C. § 1304.

Marking of im-  
ported articles and  
containers.  
English name of  
country of origin.

Regulations by Sec-  
retary of the Treasury.

Character of words  
and abbreviations,  
marking methods, etc.

Addition of words,  
etc., to prevent decep-  
tion or mistake.

Exceptions from  
marking require-  
ments.

“(E) Such article is a crude substance;

“(F) Such article is imported for use by the importer and not intended for sale in its imported or any other form;

“(G) Such article is to be processed in the United States by the importer or for his account otherwise than for the purpose of concealing the origin of such article and in such manner that any mark contemplated by this section would necessarily be obliterated, destroyed, or permanently concealed;

“(H) An ultimate purchaser, by reason of the character of such article or by reason of the circumstances of its importation, must necessarily know the country of origin of such article even though it is not marked to indicate its origin;

“(I) Such article was produced more than twenty years prior to its importation into the United States; or

“(J) Such article is of a class or kind with respect to which the Secretary of the Treasury has given notice by publication in the weekly Treasury Decisions within two years after July 1, 1937, that articles of such class or kind were imported in substantial quantities during the five-year period immediately preceding January 1, 1937, and were not required during such period to be marked to indicate their origin: *Provided*, That this subdivision (J) shall not apply after September 1, 1938, to sawed lumber and timbers, telephone, trolley, electric-light, and telegraph poles of wood, and bundles of shingles; but the President is authorized to suspend the effectiveness of this proviso if he finds such action required to carry out any trade agreement entered into under the authority of the Act of June 12, 1934 (U. S. C., 1934 edition, title 19, secs. 1351-1354), as extended.

*Proviso.*  
Sawed lumber and  
timbers, etc.

48 Stat. 943.  
19 U. S. C. §§ 1351-  
1354; Supp. III, § 1352.

Marking of imme-  
diate containers of  
certain exempted  
articles.

*Exceptions.*

Additional duties  
for failure to mark.

“(b) **MARKING OF CONTAINERS.**—Whenever an article is excepted under subdivision (3) of subsection (a) of this section from the requirements of marking, the immediate container, if any, of such article, or such other container or containers of such article as may be prescribed by the Secretary of the Treasury, shall be marked in such manner as to indicate to an ultimate purchaser in the United States the English name of the country of origin of such article, subject to all provisions of this section, including the same exceptions as are applicable to articles under subdivision (3) of subsection (a). If articles are excepted from marking requirements under clause (F), (G), or (H) of subdivision (3) of subsection (a) of this section, their usual containers shall not be subject to the marking requirements of this section. Usual containers in use as such at the time of importation shall in no case be required to be marked to show the country of their own origin.

“(c) **ADDITIONAL DUTIES FOR FAILURE TO MARK.**—If at the time of importation any article (or its container, as provided in subsection (b) hereof) is not marked in accordance with the requirements of this section, and if such article is not exported or destroyed or the article (or its container, as provided in subsection (b) hereof) marked after importation in accordance with the requirements of this section (such exportation, destruction, or marking to be accomplished under customs supervision prior to the liquidation of the entry covering the article, and to be allowed whether or not the article has remained in continuous customs custody), there shall be levied, collected, and paid upon such article a duty of 10 per centum ad valorem, which shall be deemed to have accrued at the time of importation,

shall not be construed to be penal, and shall not be remitted wholly or in part nor shall payment thereof be avoidable for any cause. Such duty shall be levied, collected, and paid in addition to any other duty imposed by law and whether or not the article is exempt from the payment of ordinary customs duties. The compensation and expenses of customs officers and employees assigned to supervise the exportation, destruction, or marking to exempt articles from the application of the duty provided for in this subsection shall be reimbursed to the Government by the importer.

Reimbursement for  
supervisory services.

“(d) **DELIVERY WITHHELD UNTIL MARKED.**—No imported article held in customs custody for inspection, examination, or appraisement shall be delivered until such article and every other article of the importation (or their containers), whether or not released from customs custody, shall have been marked in accordance with the requirements of this section or until the amount of duty estimated to be payable under subsection (c) of this section has been deposited. Nothing in this section shall be construed as excepting any article (or its container) from the particular requirements of marking provided for in any other provision of law.

Delivery withheld  
until article, etc.,  
marked.

“(e) **PENALTIES.**—If any person shall, with intent to conceal the information given thereby or contained therein, deface, destroy, remove, alter, cover, obscure, or obliterate any mark required under the provisions of this Act, he shall, upon conviction, be fined not more than \$5,000 or imprisoned not more than one year, or both.”

Penalties.

**SEC. 4.** Subdivisions (1), (5), and (6) of section 308 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1308) are hereby amended to read as follows:

Temporary free im-  
portation under bond  
for exportation.  
46 Stat. 690.  
19 U. S. C. § 1308.  
Articles changed in  
condition but not  
manufactured.

“(1) Articles to be repaired, altered, or otherwise changed in condition by processes which do not result in articles manufactured or produced in the United States;

“(5) Automobiles, motorcycles, bicycles, airplanes, airships, balloons, boats, racing shells, and similar vehicles and craft, and horses, and the usual equipment of the foregoing; all the foregoing which are brought temporarily into the United States by nonresidents (A) for the purpose of taking part in races or other specific contests, or (B) for the transportation of such nonresidents, their families and guests, and such incidental carriage of articles as may be necessary and appropriate to the purposes of the journey, but not to be used for the transportation of persons or articles for hire nor in any case primarily for the carriage of articles (but nothing in this Act shall be construed as altering the customary exceptions of vehicles and other instruments of international traffic from the application of the customs laws); and in the case of horses, vehicles, and craft entered under this subdivision collectors of customs may, under such regulations as the Secretary of the Treasury may prescribe, defer the exaction of a bond for not to exceed ninety days (or six months in the case of such horses, vehicles, and craft from a country which accords a similar privilege to horses, vehicles, and craft from the United States) after the date of importation, but unless such horse, vehicle, or craft is exported or the bond is given within the period of such deferment, such horse, vehicle, or craft shall be subject to forfeiture;

Private automobiles,  
etc., used for desig-  
nated purposes.

Restrictions.

Bond provisions.

“(6) Locomotives and other railroad equipment brought temporarily into the United States for use in clearing obstructions, fighting fires, or making emergency repairs on railroads within the United States, or for use in transportation otherwise than in international traffic when the Secretary of the Treasury finds

Foreign railroad  
equipment for emer-  
gency use.

that the temporary use of foreign railroad equipment is necessary to meet an emergency;”  
and the period at the end of subdivision (8) is changed to a semicolon and a new subdivision is added at the end of such section 308 to read as follows:

Professional equipment, tools of trade; etc.

“(9) Professional equipment, tools of trade, and camping equipment imported for their own use by nonresidents sojourning temporarily in the United States, and articles of special design for temporary use exclusively in connection with the manufacture or production of articles for export.”

46 Stat. 690.  
19 U. S. C. § 1309.

SEC. 5. (a) Section 309 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1309) is hereby amended to read as follows:

Supplies for certain vessels and aircraft.

**“SEC. 309. SUPPLIES FOR CERTAIN VESSELS AND AIRCRAFT.**

Exemption from customs duties and internal-revenue tax.

“(a) **EXEMPTION FROM CUSTOMS DUTIES AND INTERNAL-REVENUE TAX.**—Articles of foreign or domestic manufacture or production may, under such regulations as the Secretary of the Treasury may prescribe, be withdrawn from bonded warehouses, bonded manufacturing warehouses, or continuous customs custody elsewhere than in a bonded warehouse free of duty or internal-revenue tax for supplies (not including equipment) of vessels of war, in ports of the United States, of any nation which may reciprocate such privilege toward the vessels of war of the United States in its ports, or for supplies (not including equipment) of vessels employed in the fisheries or in the whaling business, or actually engaged in foreign trade or trade between the Atlantic and Pacific ports of the United States or between the United States and any of its possessions, or for supplies (not including equipment) of aircraft registered in the United States and actually engaged in foreign trade or trade between the United States and any of its possessions, or for supplies (including equipment), maintenance, or repair of aircraft registered in any foreign country and actually engaged in foreign trade or trade between the United States and any of its possessions, where such trade by foreign aircraft is permitted.

Supplies for designated vessels.

Aircraft supplies.

Drawback.

“(b) **DRAWBACK.**—Articles withdrawn from bonded warehouses, bonded manufacturing warehouses, or continuous customs custody elsewhere than in a bonded warehouse and articles of domestic manufacture or production, laden as supplies upon any such foreign vessel or any such vessel or aircraft of the United States or laden as supplies (including equipment) upon, or used in the maintenance or repair of, any such foreign aircraft, shall be considered to be exported within the meaning of the drawback provisions of this Act.

Articles removed in, or returned to, the United States.

46 Stat. 696.  
19 U. S. C. § 1317.  
*Post*, p. 1081.

“(c) **ARTICLES REMOVED IN, OR RETURNED TO, THE UNITED STATES.**—Any article exempted from duty or tax, or in respect of which drawback has been allowed, under this section or section 317 of this Act and thereafter removed in the United States from any vessel or aircraft, or otherwise returned to the United States, shall be treated as an importation from a foreign country.

Reciprocal privileges.

46 Stat. 696.  
19 U. S. C. § 1317.  
*Post*, p. 1081.  
Conditions.

“(d) **RECIPROCAL PRIVILEGES.**—The privileges granted by this section and section 317 of this Act in respect of aircraft registered in a foreign country shall be allowed only if the Secretary of the Treasury shall have been advised by the Secretary of Commerce that he has found that such foreign country allows, or will allow, substantially reciprocal privileges in respect of aircraft registered in the United States. If the Secretary of Commerce shall advise the Secretary of the Treasury that he has found that a foreign country has discontinued, or will discontinue, the allowance of such privileges, the

privileges granted by this section and such section 317 shall not apply thereafter in respect of aircraft registered in that foreign country."

(b) Section 317 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1317, and title 26, sec. 897 (b)) is amended by changing the caption thereof to read "TOBACCO PRODUCTS—SUPPLIES FOR AIRCRAFT"; by designating the present paragraph thereof as subsection (a); and by adding thereto a new subsection (b) to read as follows:

"(b) The shipment or delivery of any merchandise for use as supplies (including equipment) upon, or in the maintenance or repair of, aircraft registered in any foreign country and actually engaged in foreign trade or trade between the United States and any of its possessions, where such trade by foreign aircraft is permitted, shall be deemed an exportation within the meaning of the customs and internal-revenue laws applicable to the exportation of such merchandise without the payment of duty or internal-revenue tax."

(c) This section shall take effect on the day following the enactment of this Act.

SEC. 6. Section 315 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1315) is hereby amended by deleting the proviso thereof, changing the colon preceding such proviso to a period, and adding at the end of such section the following: "Insofar as duties are based upon the quantity of any merchandise, such duties shall, except as provided in paragraph 813 and section 562 of this Act (relating respectively to certain beverages and to manipulating warehouses), be levied and collected upon the quantity of such merchandise at the time of its importation. No administrative ruling resulting in the imposition of a higher rate of duty or charge than the Secretary of the Treasury shall find to have been applicable to imported merchandise under an established and uniform practice shall be effective with respect to articles entered for consumption or withdrawn from warehouse for consumption prior to the expiration of thirty days after the date of publication in the weekly Treasury Decisions of notice of such ruling; but this provision shall not apply with respect to the imposition of antidumping duties."

SEC. 7. The Tariff Act of 1930 is hereby amended by adding at the end of part I of title III thereof the following new section:

#### "SEC. 321. ADMINISTRATIVE EXEMPTIONS.

"Collectors of customs are hereby authorized, under such regulations as the Secretary of the Treasury may prescribe, to disregard a difference of less than \$1 between the total estimated duties or taxes deposited, or the total duties or taxes tentatively assessed, with respect to any entry of merchandise and the total amount of duties or taxes actually accruing thereon, and to admit articles free of duty when the expense and inconvenience of collecting the duty accruing thereon would be disproportionate to the amount of such duty, but the aggregate value of articles imported by one person on one day and exempted from the payment of duty under the authority of this section shall not exceed \$5 in the case of articles accompanying, and for the personal or household use of, persons arriving in the United States, or \$1 in any other case."

SEC. 8. Section 402 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1402) is hereby amended by inserting the words "for home consumption" after the words "freely offered for sale" in subsection (c), and by inserting the words "for domestic consumption" after the words "freely offered for sale" in subsections (e) and (g) and after the word "sold" in subsection (g).

46 Stat. 696.  
19 U. S. C. § 1317;  
26 U. S. C. § 897 (b).  
Tobacco products;  
supplies for aircraft.

Shipments or delivery of certain aircraft supplies.

Effective date of section.

46 Stat. 695.  
19 U. S. C. § 1315.

Duties based upon quantity, collection at time of importation; exceptions.  
46 Stat. 640, 745.  
19 U. S. C. § 1001, par. 813; § 1562.

Imposition of higher rates by administrative ruling.

Imposition of antidumping duties.

46 Stat. 696.

Administrative exemptions.  
Differences of less than \$1.

Duty free when expense of collection disproportionate to amount of duty.  
Limitation.

46 Stat. 709.  
19 U. S. C. § 1402.  
Bases of valuation; definitions amended.



Extra compensa-  
tion.  
46 Stat. 715.  
19 U. S. C. § 1451.

Overtime compen-  
sation of customs offi-  
cers and employees.

Existing authority  
to make assignments  
not impaired.

46 Stat. 717.  
19 U. S. C. § 1459.

Merchandise im-  
ported from contig-  
uous country otherwise  
than in a vessel or  
vehicle.

46 Stat. 717.  
19 U. S. C. § 1460.

Penalties for failure  
to report or file mani-  
fest.

Forfeitures.

Landing passengers.

SEC. 9. So much of the last sentence of section 451 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1451) as precedes the words "gives a bond in a penal sum to be fixed by the collector" is hereby amended to read as follows: "Upon a request made by the owner, master, or person in charge of a vessel or vehicle, or by or on behalf of a common carrier or by or on behalf of the owner or consignee of any merchandise or baggage, for overtime services of customs officers or employees at night or on a Sunday or holiday, the collector shall assign sufficient customs officers or employees if available to perform any such services which may lawfully be performed by them during regular hours of business, but only if the person requesting such services"; and the said section 451 is further amended by adding at the end thereof the following: "Nothing in this section shall be construed to impair the existing authority of the Treasury Department to assign customs officers or employees to regular tours of duty at nights or on Sundays or holidays when such assignments are in the public interest."

SEC. 10. (a) Section 459 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1459) is hereby amended by striking out the last two sentences of such section and inserting in lieu thereof the following: "Any person importing or bringing merchandise into the United States from a contiguous country otherwise than in a vessel or vehicle shall immediately report his arrival to the customs officer at the port of entry or customhouse which shall be nearest to the place at which he shall cross the boundary line and shall present such merchandise to such customs officer for inspection."

(b) Section 460 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1460) is hereby amended to read as follows:

**"SEC. 460. SAME—PENALTIES FOR FAILURE TO REPORT OR FILE MANIFEST.**

"The master of any vessel or the person in charge of any vehicle who fails to report arrival in the United States as required by the preceding section, or if so reporting proceeds further inland without a permit from the proper customs officer, shall be subject to a penalty of \$100 for each offense. If any merchandise is imported or brought into the United States in any vessel or vehicle, or by any person otherwise than in a vessel or vehicle, from a contiguous country, which vessel, vehicle, or merchandise is not so reported to the proper customs officers; or if the master of such vessel or the person in charge of such vehicle fails to file a manifest for the merchandise carried therein, or discharges or lands such merchandise without a permit; such merchandise and the vessel or vehicle, if any, in which it was imported or brought into the United States shall be subject to forfeiture; and the master of such vessel or the person in charge of such vehicle, or the person importing or bringing in merchandise otherwise than in a vessel or vehicle, shall, in addition to any other penalty, be liable to a penalty equal to the value of the merchandise which was not reported, or not included in the manifest, or which was discharged or landed without a permit. If any vessel or vehicle not so reported carries any passenger; or if any passenger is discharged or landed from any such vessel or vehicle before it is so reported, or after such report but without a permit; the master of the vessel or the person in charge of the vehicle shall, in addition to any other penalty, be liable to a penalty of \$500 for each passenger so carried, discharged, or landed."

SEC. 11. The Tariff Act of 1930 is hereby amended by adding at the end of part II of title IV thereof a new section to read as follows:

46 Stat. 719.

**"SEC. 467. SPECIAL INSPECTION, EXAMINATION, AND SEARCH.**

"Whenever a vessel from a foreign port or place or from a port or place in any Territory or possession of the United States arrives at a port or place in the United States or the Virgin Islands, whether directly or via another port or place in the United States or the Virgin Islands, the collector of customs for such port or place of arrival may, under such regulations as the Secretary of the Treasury may prescribe and for the purpose of assuring compliance with any law, regulation, or instruction which the Secretary of the Treasury or the Customs Service is authorized to enforce, cause inspection, examination, and search to be made of the persons, baggage, and merchandise discharged or unladen from such vessel, whether or not any or all such persons, baggage, or merchandise has previously been inspected, examined, or searched by officers of the customs."

Special inspection, examination, and search of persons, baggage, or merchandise.

SEC. 12. The last sentence of subsection (f) of section 484 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1484) is hereby amended to read as follows: "All other merchandise arriving on one vessel or vehicle and consigned to one consignee shall be included in one entry, unless the Secretary of the Treasury shall authorize the inclusion of portions of such merchandise in separate entries under such rules and regulations as he may prescribe."

46 Stat. 723.  
19 U. S. C. § 1484 (f).  
Separate entries for portions of a shipment.

SEC. 13. Section 485 (f) of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1485 (f)) is hereby amended by changing the last comma therein to a period; by striking out the words "or by any other person specifically authorized by any officer of such corporation to make the same"; and by inserting in lieu of the deleted words a new sentence to read as follows: "Whether the consignee is an individual, a partnership, or a corporation, the declaration may be made by any person who has knowledge of the facts and who is specifically authorized by such individual, a member of such partnership, or an officer of such corporation to make such declaration."

46 Stat. 724.  
19 U. S. C. § 1485 (f).

Declarations by persons authorized by consignee.

SEC. 14. (a) So much of section 491 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1491) as precedes the words "shall be considered unclaimed and abandoned" is hereby amended to read as follows: "Any entered or unentered merchandise (except merchandise entered under section 557 of this Act, but including merchandise entered for transportation in bond or for exportation) which shall remain in customs custody for one year from the date of importation thereof, without all estimated duties and storage or other charges thereon having been paid,".

46 Stat. 726.  
19 U. S. C. § 1491.

Unclaimed merchandise, definition modified.

46 Stat. 744.  
19 U. S. C. § 1557.

(b) Such section 491 is further amended by adding the following new sentences at the end thereof: "Merchandise subject to sale hereunder or under section 559 of this Act may be entered or withdrawn for consumption at any time prior to such sale upon payment of all duties, storage, and other charges, and expenses that may have accrued thereon, but such merchandise after becoming subject to sale may not be exported prior to sale without the payment of such duties, charges, and expenses nor may it be entered for warehouse. The computation of duties for the purposes of this section and sections 493 and 559 of this Act shall be at the rate or rates applicable at the time the merchandise becomes subject to sale."

Entry or withdrawal of unclaimed merchandise; conditions.

46 Stat. 744.  
19 U. S. C. § 1559.

Computation of duties; rates.  
46 Stat. 727, 744.  
19 U. S. C. §§ 1493, 1559.

46 Stat. 728.  
19 U. S. C. § 1499.  
Examination of merchandise.

Security before delivery from customs custody.

46 Stat. 728.  
19 U. S. C. § 1499.  
Examination of less than usual portion; restriction.

Publication of regulations, etc.

Validity of appraisement where less than statutory quantity examined.

46 Stat. 730.  
19 U. S. C. § 1501.

Appeal for reappraisement, determination of value by Customs Court.

Paragraphs redesignated.

Assignment of protest to a single judge for determination if Court declares appraisement invalid.

46 Stat. 735.  
19 U. S. C. § 1516 (b).

Classification, rate of duty, etc.

SEC. 15. Section 499 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1499) is hereby amended by striking out from the first sentence thereof the words "except as otherwise provided in this Act" and inserting in lieu thereof the words "except under such bond or other security as may be prescribed by the Secretary of the Treasury to assure compliance with all applicable laws, regulations, and instructions which the Secretary of the Treasury or the Customs Service is authorized to enforce".

SEC. 16. (a) Section 499 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1499) is hereby further amended by inserting after the word "regulation" in the third sentence thereof the following: "or instruction, the application of which may be restricted to one or more individual ports or to one or more importations or one or more classes of merchandise,"; by adding after the third sentence thereof the following new sentence: "All such special regulations or instructions shall be published in the weekly Treasury Decisions within fifteen days after issuance and before the liquidation of any entries affected thereby."; and by adding at the end of such section the following new paragraph:

"No appraisement made after the effective date of the Customs Administrative Act of 1938 shall be held invalid on the ground that the required number of packages or the required quantity of the merchandise was not designated for examination or, if designated, was not actually examined, unless the party claiming such invalidity shall establish that merchandise in the packages or quantities not designated for examination, or not actually examined, was different from that actually examined and that the difference was such as to establish the incorrectness of the appraiser's return of value; and then only as to the merchandise for which the value returned by the appraiser is shown to be incorrect."

(b) Section 501 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1501) is hereby amended by striking out the fourth sentence of the first paragraph thereof and inserting in lieu thereof the following: "Every such appeal shall be transmitted with the entry and the accompanying papers by the collector to the United States Customs Court and shall be assigned to one of the judges, who shall in every case, notwithstanding that the original appraisement may for any reason be held invalid or void and that the merchandise or samples thereof be not available for examination, after affording the parties an opportunity to be heard on the merits, determine the value of the merchandise from the evidence in the entry record and that adduced at the hearing."; and such section 501 is further amended by designating the present two paragraphs thereof as subsections (a) and (b), respectively, and by adding after such subsections a new subsection (c) to read as follows:

"(c) If upon the hearing of a protest, the United States Customs Court shall declare an appraisement of merchandise made after the effective date of the Customs Administrative Act of 1938 to have been invalid or void, it shall remand the matter to a single judge, who shall proceed to determine the proper dutiable value of such merchandise in the manner provided for by this section. In such proceeding no presumption of correctness shall attach to the invoice or entered values."

SEC. 17. (a) Subsection (b) of section 516 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1516 (b)) is hereby amended to read as follows:

"(b) CLASSIFICATION.—The Secretary of the Treasury shall, upon written request by an American manufacturer, producer, or wholesaler, furnish the classification of, and the rate of duty, if any,

imposed upon, designated imported merchandise of a class or kind manufactured, produced, or sold at wholesale by him. If such manufacturer, producer, or wholesaler believes that the proper rate of duty is not being assessed, he may file a complaint with the Secretary, setting forth a description of the merchandise, the classification, and the rate or rates of duty he believes proper, and the reasons for his belief. If the Secretary decides that the classification of, or rate of duty assessed upon, the merchandise is not correct, he shall notify the collectors as to the proper classification and rate of duty and shall so inform the complainant, and such rate of duty shall be assessed upon all such merchandise entered for consumption or withdrawn from warehouse for consumption after thirty days after the date such notice to the collectors is published in the weekly Treasury Decisions. If the Secretary decides that the classification and rate of duty are correct, he shall so inform the complainant. If dissatisfied with the decision of the Secretary, the complainant may file with the Secretary, not later than thirty days after the date of such decision, notice that he desires to protest the classification of, or rate of duty assessed upon, the merchandise. Upon receipt of such notice from the complainant, the Secretary shall cause publication to be made of his decision as to the proper classification and rate of duty and of the complainant's desire to protest, and shall thereafter furnish the complainant with such information as to the entries and consignees of such merchandise, entered after the publication of the decision of the Secretary at the port of entry designated by the complainant in his notice of desire to protest, as will enable the complainant to protest the classification of, or rate of duty imposed upon, such merchandise in the liquidation of such an entry at such port. The Secretary shall direct the collector at such port to notify such complainant immediately when the first of such entries is liquidated. Within thirty days after the date of mailing to the complainant of notice of such liquidation, the complainant may file with the collector at such port a protest in writing setting forth a description of the merchandise and the classification and rate of duty he believes proper. Notwithstanding such protest is filed, merchandise of the character covered by the published decision of the Secretary, when entered for consumption or withdrawn from warehouse for consumption on or before the date of publication of a decision of the United States Customs Court or of the United States Court of Customs and Patent Appeals, rendered under the provisions of subsection (c) of this section, not in harmony with the published decision of the Secretary, shall be classified and the entries liquidated in accordance with such decision of the Secretary, and, except as otherwise provided in this Act, the liquidations of such entries shall be final and conclusive upon all parties. If the protest of the complainant is sustained in whole or in part by a decision of the United States Customs Court or of the United States Court of Customs and Patent Appeals, merchandise of the character covered by the published decision of the Secretary, which is entered for consumption or withdrawn from warehouse for consumption after the date of publication of such court decision, shall be subject to classification and assessment of duty in accordance with the final judicial decision on the complainant's protest, and the liquidation of entries covering such merchandise so entered or withdrawn shall be suspended until final disposition is made of such protest, whereupon such entries shall be liquidated, or if necessary, reliquidated in accordance with such final decision. Every proceeding arising under this subsection shall be given precedence over other cases on the dockets of the United

Filing of complaint.

Action by Secretary if classification or rate not correct.

If correct.

Filing of notice of protest.

Publication of decision.

Notice to complainant.

Filing of protest.

If protest sustained.

Preferred status of proceedings on dockets of designated courts.

States Customs Court and the United States Court of Customs and Patent Appeals, and shall be assigned for hearing and trial at the earliest practicable date and expedited in every way."

46 Stat. 735.  
19 U. S. C. § 1516(b).

Complaints filed before effective date.

(b) The provisions of subsection (b) of section 516 of the Tariff Act of 1930, as amended by this Act, shall apply only in the case of complaints filed after the effective date of this Act. The provisions of subsection (b) of section 516 of the Tariff Act of 1930, as in force prior to the effective date of this Act, shall continue in force with respect to any proceedings commenced by the filing of a complaint thereunder, except that upon the expiration of thirty days after the effective date of this Act, or upon the expiration of thirty days after the date of a decision of the Secretary adverse to the complainant, whichever is the later, any such proceedings in which a protest has not been duly filed shall be deemed to have been terminated unless the complainant shall have filed with the Secretary after the effective date of this Act a notice that he desires to protest the classification of, or rate of duty assessed upon, the merchandise.

Obligations under trade agreements not affected.

48 Stat. 943.  
19 U. S. C. § 1351.

46 Stat. 739.  
19 U. S. C. § 1520.  
48 Stat. 1225.  
31 U. S. C. § 725a.

(c) The provisions of subsection (b) of section 516 of the Tariff Act of 1930, as amended by this Act, shall not apply with respect to any article of a class or kind which is named or described in any obligation undertaken by the United States in a foreign trade agreement entered into under section 350 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1351).

SEC. 18. Section 520 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1520), as amended by section 2 of the Permanent Appropriation Repeal Act, 1934 (U. S. C., 1934 edition, title 31, sec. 725a), is hereby further amended to read as follows:

#### "SEC. 520. REFUNDS AND ERRORS.

Refunds and errors.

"(a) The Secretary of the Treasury is hereby authorized to refund duties or other receipts in the following cases:

Excess deposits.

"(1) EXCESS DEPOSITS.—Whenever it is ascertained on liquidation or reliquidation of an entry that more money has been deposited or paid as duties than was required by law to be so deposited or paid;

Fees, charges, and exactions.

"(2) FEES, CHARGES, AND EXACTIONS.—Whenever it is determined in the manner required by law that any fees, charges, or exactions, other than duties and taxes, have been erroneously or excessively collected; and

Fines, penalties, and forfeitures.

"(3) FINES, PENALTIES, AND FORFEITURES.—Whenever money has been deposited in the Treasury on account of a fine, penalty, or forfeiture which did not accrue, or which is finally determined to have accrued in an amount less than that so deposited, or which is mitigated to an amount less than that so deposited or is remitted.

Appropriations authorized.

"(b) The necessary moneys to make such refunds are hereby authorized to be appropriated annually from the general fund of the Treasury.

Reliquidation of entry.

"(c) Notwithstanding a valid protest was not filed, the Secretary of the Treasury may authorize a collector to reliquidate an entry to correct—

Correction of clerical errors.

"(1) A clerical error in any entry or liquidation discovered within one year after the date of entry, or within sixty days after liquidation when liquidation is made more than ten months after the date of entry; or

Correction of assessment on nondutiable household or personal effects.

"(2) Any assessment of duty on household or personal effects which by law were not subject to duty and in respect of which an application for refund has been filed with the collector within one year after the date of entry."

SEC. 19. (a) Section 1 of the Act of June 19, 1886, as amended (U. S. C., 1934 edition, title 46, sec. 331), is hereby further amended by adding a comma and the following words after the words "Measurement of tonnage and certifying the same" and before the semicolon in the first sentence thereof: "except that the compensation and necessary travel and subsistence expenses of the officers so measuring or certifying such vessels at the request of the owners thereof at a place other than a port of entry or a customs station shall be paid by such owners".

24 Stat. 79.  
46 U. S. C. § 331.  
Shipping fees.

Compensation, etc.,  
of officers measuring  
or certifying vessels  
at other than ports  
of entry, etc.

(b) Section 524 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1524) is hereby amended to read as follows:

46 Stat. 741.  
19 U. S. C. § 1524.

"Receipts for any reimbursable charges or expenses which have been paid for out of any appropriation for collecting the revenue from customs shall be deposited as a refund to such appropriation instead of being covered into the Treasury as miscellaneous receipts, as provided by the Act entitled 'An Act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1908, and for other purposes', approved March 4, 1907."

Deposit of receipts  
for reimbursable  
charges.

34 Stat. 1315.  
19 U. S. C. § 527.

SEC. 20. The Tariff Act of 1930 is hereby amended by adding at the end of part III of title IV thereof a new section, to read as follows:

46 Stat. 742.

#### "SEC. 528. TAXES NOT TO BE CONSTRUED AS DUTIES.

"No tax or other charge imposed by or pursuant to any law of the United States shall be construed to be a customs duty for the purpose of any statute relating to the customs revenue, unless the law imposing such tax or charge designates it as a customs duty or contains a provision to the effect that it shall be treated as a duty imposed under the customs laws. Nothing in this section shall be construed to limit or restrict the jurisdiction of the United States Customs Court or the United States Court of Customs and Patent Appeals."

Taxes not to be  
construed as duties.

Jurisdiction of desig-  
nated customs courts.

SEC. 21. Section 553 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1553) is hereby amended by adding the following at the end thereof: "In places where no bonded common-carrier facilities are reasonably available, such merchandise may be so transported otherwise than by a bonded common carrier under such regulations as the Secretary of the Treasury shall prescribe."

46 Stat. 742.  
19 U. S. C. § 1553.

Transportation of  
merchandise by other  
than bonded common  
carrier.

SEC. 22. (a) Section 557 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1557) is hereby further amended by inserting before the colon preceding the proviso in the first paragraph thereof the words "or elsewhere, or for transfer to another bonded warehouse at the same port"; by eliminating the phrase "99 per centum of" from the last sentence of the said paragraph; by designating the present paragraphs thereof as subsections (a) and (c), respectively; and by inserting between such subsections a new subsection (b) to read as follows:

46 Stat. 744.  
19 U. S. C. § 1557.

Transfer to another  
warehouse at same  
port.  
Refund of duties.

"(b) The right to withdraw any merchandise entered in accordance with subsection (a) of this section for the purposes specified in such subsection may be transferred upon compliance with regulations prescribed by the Secretary of the Treasury. So long as any such transfer remains unrevoked the transferee shall have, with respect to the merchandise the subject of the transfer, all rights to file protests, and to the privileges provided for in this section and in sections 562 and 563 of this Act which would otherwise be possessed by the transferor. The transferee shall also have the right to receive all lawful refunds of moneys paid by him to the United States with respect to the merchandise and no revocation

Transfer of right to  
withdraw imports en-  
tered for warehouse.

Rights of transferee.

46 Stat. 745, 746.  
19 U. S. C. §§ 1562,  
1563.  
Refunds of pay-  
ments.

Irrevocable transfer; bond, conditions, etc.

Retroactive provision.

46 Stat. 744, 746.  
19 U. S. C. §§ 1557, 1559, 1563.  
Time limitation, storage of imported grain, repealed.

Grain imported prior to effective date and not abandoned.

46 Stat. 726, 744.  
19 U. S. C. §§ 1491, 1559.

46 Stat. 744.  
19 U. S. C. § 1558.

No remission or refund after release of merchandise.

Drawback, etc., restrictions.

Exceptions.

Exports where drawback is expressly provided.

Prohibited articles, subsequently exported or destroyed.

Imports under bond destroyed within bonded period.

46 Stat. 744.  
19 U. S. C. § 1557.

Articles exported or destroyed after release from customs custody; payment of duties.

46 Stat. 687.  
19 U. S. C. § 1304.

46 Stat. 745.  
19 U. S. C. § 1562.

Manipulation in other than a bonded warehouse.

of any transfer shall deprive him of this right. Any such transfer may be made irrevocable by the filing of a bond of the transferee in such amount and with such conditions as the Secretary of the Treasury shall prescribe, including an obligation to pay all unpaid regular, increased, and additional duties, charges, and exactions on the merchandise the subject of the transfer. Upon the filing of such bond the transferor shall be relieved from liability for the payment of duties, charges, and exactions on the merchandise the subject of the transfer, but shall remain bound by all other unsatisfied conditions of his bond."

(b) On and after the effective date of this Act, this section shall be effective with respect to merchandise entered for warehouse prior to, as well as after, such date.

SEC. 23. (a) Section 557 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1557) is hereby further amended and sections 559 and 563 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, secs. 1559 and 1563) are hereby amended by deleting "(or ten months in the case of grain)" wherever appearing in such sections.

(b) The amendments made by subsection (a) of this section shall apply in the case of grain imported prior to the effective date of this Act which, on such date, has not become abandoned to the Government under section 491 or 559 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1491 or 1559), and which has remained in the custody of customs officers.

SEC. 24. Section 558 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1558) is hereby amended to read as follows:

**"SEC. 558. NO REMISSION OR REFUND AFTER RELEASE OF MERCHANDISE.**

"(a) No remission, abatement, refund, or drawback of estimated or liquidated duty shall be allowed because of the exportation or destruction of any merchandise after its release from the custody of the Government, except in the following cases:

"(1) When articles are exported with respect to which a drawback of duties is expressly provided for by law;

"(2) When prohibited articles have been regularly entered in good faith and are subsequently exported or destroyed pursuant to a law of the United States and under such regulations as the Secretary of the Treasury may prescribe; and

"(3) When articles entered under bond, under any provision of law, are destroyed within the bonded period as provided for in section 557 of this Act, or are destroyed within the bonded period by death, accidental fire, or other casualty, and proof of such destruction is furnished which shall be satisfactory to the Secretary of the Treasury, in which case any accrued duties shall be remitted or refunded and any condition in the bond that the articles shall be exported shall be deemed to have been satisfied.

"(b) When articles are exported or destroyed under customs supervision after once having been released from customs custody, as provided for in subsection (c) of section 304 of this Act, such exportation or destruction shall not exempt such articles from the payment of duties other than the marking duty provided for in such subsection (c)."

SEC. 25. Section 562 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1562) is amended by adding the following new sentence at the end thereof: "Under such regulations as the Secretary of the Treasury shall prescribe, imported merchandise which has been entered and which has remained in continuous customs custody may

be manipulated in accordance with the provisions of this section under customs supervision and at the risk and expense of the consignee, but elsewhere than in a bonded warehouse, in cases where neither the protection of the revenue nor the proper conduct of customs business requires that such manipulation be done in a bonded warehouse."

SEC. 26. So much of section 598 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1598) as precedes the first semicolon therein is hereby amended to read as follows: "If any unauthorized person affixes, attaches, or in any way willfully assists or encourages the affixing or attaching of a customs seal, fastening, or mark, or any seal, fastening, or mark purporting to be a customs seal, fastening, or mark to any vessel, vehicle, warehouse, or package".

SEC. 27. Section 603 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1603) is hereby amended to read as follows:

**"SEC. 603. SAME—COLLECTOR'S REPORTS.**

"Whenever a seizure of merchandise for violation of the customs laws is made, or a violation of the customs laws is discovered, and legal proceedings by the United States attorney in connection with such seizure or discovery are required, it shall be the duty of the collector or the principal local officer of the Customs Agency Service to report such seizure or violation to the United States attorney for the district in which such violation has occurred, or in which such seizure was made, and to include in such report a statement of all the facts and circumstances of the case within his knowledge, with the names of the witnesses and a citation to the statute or statutes believed to have been violated, and on which reliance may be had for forfeiture or conviction."

SEC. 28. (a) Section 607 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1607) is hereby amended by striking out the words "forfeit and sell the same" and inserting in lieu thereof the words "forfeit and sell or otherwise dispose of the same according to law".

(b) Section 609 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1609) is hereby amended by adding the words "or otherwise dispose of the same according to law" after the words "in the same manner as merchandise abandoned to the United States is sold".

SEC. 29. Section 613 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1613) is hereby amended by inserting the word "and" after the semicolon at the end of subdivision (2) thereof, by deleting subdivision (3) thereof, and by redesignating subdivision (4) thereof as subdivision (3).

SEC. 30. Section 623 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1623) is hereby amended to read as follows:

**"SEC. 623. BONDS AND OTHER SECURITY.**

"(a) In any case in which bond or other security is not specifically required by law, the Secretary of the Treasury may by regulation or specific instruction require, or authorize collectors of customs to require, such bonds or other security as he, or they, may deem necessary for the protection of the revenue or to assure compliance with any provision of law, regulation, or instruction which the Secretary of the Treasury or the Customs Service may be authorized to enforce.

"(b) Whenever a bond is required or authorized by a law, regulation, or instruction which the Secretary of the Treasury or the

46 Stat. 752.  
19 U. S. C. § 1598.

Offenses relating to seals.

46 Stat. 754.  
19 U. S. C. § 1603.

Collector's reports.

To United States attorney if action by him required.

Statement to be included.

46 Stat. 754.  
19 U. S. C. § 1607.

Disposition of customs seizures.

46 Stat. 755.  
19 U. S. C. § 1609.

46 Stat. 756.  
19 U. S. C. § 1613.

46 Stat. 759.  
19 U. S. C. § 1623.

Bonds and other security.

Regulations.



Customs Service is authorized to enforce, the Secretary of the Treasury may—

*Conditions and form of bond, etc.*

*Proviso.*  
Consolidated bonds.

Sureties.

Term bonds.

Consolidated bond (single entry or term) in lieu of separate bonds.

Cancellation in event of breach of any condition.

Condition not invalid on ground it is not specified in the law.

Acceptance of Federal securities in lieu of sureties on bond.

46 Stat. 635.  
19 U. S. C. § 1001, par. 741.  
Dates; packing, duty.

46 Stat. 640.  
19 U. S. C. § 1001, par. 813.  
Breakage, etc., allowance.  
46 Stat. 646.  
19 U. S. C. § 1001, par. 1101.  
Wools and manufactures of.  
Redesignations of subparagraphs.

“(1) Except as otherwise specifically provided by law, prescribe the conditions and form of such bond, and fix the amount of penalty thereof, whether for the payment of liquidated damages or of a penal sum: *Provided*, That when a consolidated bond authorized by paragraph 4 of this subsection is taken, the Secretary of the Treasury may fix the penalty of such bond without regard to any other provision of law, regulation, or instruction.

“(2) Provide for the approval of the sureties on such bond, without regard to any general provision of law.

“(3) Authorize the execution of a term bond the conditions of which shall extend to and cover similar cases of importations over such period of time, not to exceed one year, or such longer period as he may fix when in his opinion special circumstances existing in a particular instance require such longer period.

“(4) Authorize, to the extent that he may deem necessary, the taking of a consolidated bond (single entry or term), in lieu of separate bonds to assure compliance with two or more provisions of law, regulations, or instructions which the Secretary of the Treasury or the Customs Service is authorized to enforce. A consolidated bond taken pursuant to the authority contained in this subsection shall have the same force and effect in respect of every provision of law, regulation, or instruction for the purposes for which it is required as though separate bonds had been taken to assure compliance with each such provision.

“(c) The Secretary of the Treasury may authorize the cancellation of any bond provided for in this section, or of any charge that may have been made against such bond, in the event of a breach of any condition of the bond, upon the payment of such lesser amount or penalty or upon such other terms and conditions as he may deem sufficient.

“(d) No condition in any bond taken to assure compliance with any law, regulation, or instruction which the Secretary of the Treasury or the Customs Service is authorized to enforce shall be held invalid on the ground that such condition is not specified in the law, regulation, or instruction authorizing or requiring the taking of such bond.

“(e) The Secretary of the Treasury is authorized to permit the deposit of money or obligations of the United States, in such amount and upon such conditions as he may by regulation prescribe, in lieu of sureties on any bond required or authorized by a law, regulation, or instruction which the Secretary of the Treasury or the Customs Service is authorized to enforce.”

SEC. 31. Paragraph 741 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1001, par. 741) is hereby amended by deleting the words “in packages weighing with the immediate container” and inserting in lieu thereof the words “packed in units of any description weighing (with the immediate container, if any)”.

SEC. 32. Paragraph 813 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1001, par. 813) is hereby amended by deleting the word “five” and inserting in lieu thereof the word “fifteen”.

SEC. 33. (a) Paragraph 1101 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1001, par. 1101) is hereby amended by redesignating subparagraph (b) thereof as subparagraph (c), by changing the colon at the end of the first proviso in subparagraph (a) thereof to a period and deleting all the matter in such subparagraph (a) following such colon, and by inserting in such paragraph a new subparagraph (b), to read as follows:

“(b) Any of the foregoing may be entered or withdrawn from warehouse without the payment of duty by a manufacturer, processor, or dealer upon the filing of a bond to insure that any wool or hair entered or withdrawn thereunder shall be used only in the manufacture of press cloth, camel's hair belting, knit or felt boots, heavy fulled lumbermen's socks, rugs, carpets, or any other floor coverings. A manufacturer, processor, or dealer may be relieved of liability under his bond with respect to any wool or hair so entered or withdrawn which is transferred in its imported or any other form to another manufacturer, processor, or dealer who has filed a bond to insure that the merchandise so transferred shall be used only in the manufacture of the above-enumerated articles. If any wool or hair so entered, withdrawn, or transferred under bond is used or transferred for use in its imported or any other form in any manner otherwise than in the manufacture of the articles enumerated above, there shall be levied, collected, and paid on the merchandise so used or transferred in violation of the bond the regular duties which would apply to such merchandise if imported in its condition at the time of such use or transfer. Such duties shall be paid by the manufacturer, processor, or dealer whose bond is charged with the wool or hair at the time of such use or transfer; but such duties shall not be levied or collected on any merchandise (except white soft wastes, white threads and noils, which shall be dutiable at seven-eighths of such regular duties when used or transferred for use otherwise than in the manufacture of the enumerated articles) resulting in the usual course of manufacture of such enumerated manufactured articles which cannot be used (with or without further preparation) in the usual course of the manufacture of such enumerated articles, or which is exported or destroyed. When any wool or hair which has been entered or withdrawn under bond as provided for in this subparagraph is used or transferred for use, in its imported or any other form, otherwise than in the manufacture of the above-enumerated articles and prior to such use or transfer there shall have been combined or mixed with such wool or hair any other merchandise, the whole or the combination or mixture shall be presumed to be composed of wool or hair entered or withdrawn under bond, as provided for in this subparagraph, unless the manufacturer, processor, or dealer liable for the payment of the duties shall establish the quantity of bonded wool or hair in such combination or mixture. Every manufacturer, processor, or dealer who has given a bond pursuant to the provisions of this subparagraph shall report any use or transfer of merchandise in violation of the terms of his bond, within thirty days after such use or transfer, to the collector of customs in whose district the bond is filed; and for failure to so report, such manufacturer, processor, or dealer shall be liable to a penalty equal to the value of the merchandise so used or transferred at the time and place of such use or transfer. Such penalty shall be in addition to the duties above provided for. The Secretary of the Treasury is authorized to prescribe such regulations and the form, conditions, and amounts of such bonds as may be necessary to carry into effect the provisions of this subparagraph.”

(b) The provisions of paragraph 1101 of the Tariff Act of 1930, as amended by this Act, with respect to wool or hair entered under bond for use in the manufacture of articles enumerated in such paragraph, shall apply with respect to wool or hair under bond on the effective date of this Act, as well as with respect to wool or hair thereafter imported.

SEC. 34. (a) Paragraph 1111 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1001, par. 1111) is hereby amended by deleting therefrom the phrase “of blanketing.”

Withdrawal under bond to insure use only in enumerated manufactures.

Release of liability on transfer, etc.

Duties if used or transferred for other purposes, etc.

Payment.

Bonded wool or hair combined with other merchandise.

Report of violations.

Penalty for failure to report.

Regulations, bond, etc.

46 Stat. 646.  
19 U. S. C. § 1001,  
par. 1101.  
Wool or hair under bond on effective date of Act.

46 Stat. 649.  
19 U. S. C. § 1001,  
par. 1111.  
Phrase deleted.

46 Stat. 649.  
19 U. S. C. § 1001,  
par. 1115 (b).  
47 Stat. 2438.  
Forms for hats  
wholly or chiefly wool;  
duty.

46 Stat. 665.  
19 U. S. C. § 1001,  
par. 1529 (a).  
Textual amend-  
ment.

46 Stat. 695.  
19 U. S. C. § 1314.  
Section repealed.  
46 Stat. 674.  
19 U. S. C. § 1201,  
par. 1615.  
Paragraph amend-  
ed.  
Free list.  
Domestic articles re-  
turned by exporter.

Outer containers of  
domestic or foreign  
manufacture.

Photographic dry  
plates and films, etc.;  
exception.

Exceptions.

Article on which  
drawback has been  
made.  
46 Stat. 693.  
19 U. S. C. § 1313.

Where tax imposed  
at time article is  
entered, etc., for con-  
sumption.  
Condition.

Articles produced,  
etc., in bonded ware-  
house and exported.

46 Stat. 673.  
19 U. S. C. § 1201,  
par. 1606 (c).  
Reimportations.

(b) Paragraph 1115 (b) of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1001, par. 1115 (b)), as modified by the President's proclamation of March 16, 1931 (Proclamation Numbered 1941, 47 Stat. 2438), is hereby amended by striking out the words "manufactured wholly or in part of wool felt" and inserting in lieu thereof the words "wholly or in chief value of wool but not knit or crocheted nor made in chief value of knit, crocheted, or woven material."

(c) Paragraph 1529 (a) of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1001, par. 1529 (a)) is hereby amended by inserting "1116 (a)," after the figure "1111".

SEC. 35. Section 314 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1314) is hereby repealed, and paragraph 1615 of the Tariff Act of 1930 (U. S. C., 1934 edition, title 19, sec. 1201, par. 1615) is hereby amended to read as follows:

"PAR. 1615. (a) Articles, the growth, produce, or manufacture of the United States, when returned after having been exported, without having been advanced in value or improved in condition by any process of manufacture or other means.

"(b) Steel boxes, casks, barrels, carboys, bags, quicksilver flasks or bottles, metal drums, and other substantial outer containers of domestic or foreign manufacture, exported empty and returned as usual containers or coverings of merchandise, or exported filled with products of the United States and returned empty or as the usual containers or coverings of merchandise, including shooks and staves produced in the United States when returned as boxes or barrels in use as the usual containers of merchandise.

"(c) Photographic dry plates and films of the manufacture of the United States (except moving-picture films to be used for commercial purposes), exposed abroad, whether developed or not.

"(d) Photographic films light struck or otherwise damaged, or worn out, so as to be unsuitable for any other purposes than the recovery of the constituent materials, provided the basic films are of the manufacture of the United States.

"(e) The foregoing provisions of this paragraph shall not apply to—

"(1) Any article upon which an allowance of drawback has been made under section 313 of this Act or a corresponding provision of a prior tariff Act, unless such article is in use at the time of importation as the usual container or covering of merchandise not subject to an ad-valorem rate of duty;

"(2) Any article of a kind with respect to the importation of which an internal-revenue tax is imposed at the time such article is entered for consumption or withdrawn from warehouse for consumption, unless such article was subject to an internal-revenue tax imposed upon production or importation at the time of its exportation from the United States and it shall be proved that such tax was paid before exportation and not refunded;

"(3) Any article manufactured or produced in a customs bonded warehouse in the United States and exported under any provision of law; or

"(4) Any article made dutiable under the provisions of paragraph 1606 (c) of this Act.

"(f) Upon the entry for consumption or withdrawal from warehouse for consumption of any article previously exported, which is excepted from free entry under this paragraph by the foregoing subparagraph (e) and is not otherwise exempted from the payment of duty, there shall be levied, collected, and paid thereon, in lieu of any other duty or tax, a duty equal to the total duty and internal-revenue tax, if any, then imposed with respect to the importation of like

articles not previously exported from the United States, but in no case in excess of the sum of customs draw-back, if any, proved to have been allowed upon the exportation of such article from the United States plus the amount of the internal-revenue tax, if any, imposed at the time such article is entered for consumption or withdrawn from warehouse for consumption upon the importation of like articles not previously exported from the United States. Manufactured tobacco subject to duty hereunder shall be retained in customs custody until internal-revenue stamps in payment of any part of the legal duties measured by a rate or amount of internal-revenue tax shall have been placed thereon.

“(g) Any article exported from the United States for repairs or alterations may be returned upon the payment of a duty upon the value of the repairs or alterations at the rate or rates which would apply to the article itself in its repaired or altered condition if not within the purview of this subparagraph.

“(h) The allowance of total or partial exemption from duty under any provision of this paragraph shall be subject to such regulations as to proof of identity and compliance with the conditions of this paragraph as the Secretary of the Treasury may prescribe.”

SEC. 36. Paragraph 1798 of the Tariff Act of 1930, as amended (U. S. C., 1934 edition, Supp. III, title 19, sec. 1201, par. 1798), is hereby further amended by striking out the third and fourth provisos thereof and inserting in lieu thereof the following: “*Provided further*, That up to but not exceeding \$100 in value of articles (including distilled spirits, wines, and malt liquors aggregating not more than one wine gallon and including not more than one hundred cigars) acquired abroad by such residents of the United States as an incident of the foreign journey for personal or household use or as souvenirs or curios, but not bought on commission or intended for sale, shall be free of duty: *Provided further*, That (a) in the case of articles acquired in any country other than a contiguous country which maintains a free zone or free port, the exemption authorized by the preceding proviso shall apply only to articles so acquired by a returning resident who has remained beyond the territorial limits of the United States for a period of not less than forty-eight hours and (b) in the case of articles acquired in a contiguous country which maintains a free zone or free port, the Secretary of the Treasury shall by special regulation or instruction, the application of which may be restricted to one or more individual ports of entry, provide that the exemption authorized by the preceding proviso shall be applied only to articles acquired abroad by a returning resident who has remained beyond the territorial limits of the United States for not less than such period (which period shall not exceed twenty-four hours) as the Secretary may deem necessary in the public interest or to facilitate enforcement at the specified port or ports of the requirement that the exemption shall apply only to articles acquired as an incident of the foreign journey: *Provided further*, That the exemption authorized by the second preceding proviso shall apply only to articles declared in accordance with regulations to be prescribed by the Secretary of the Treasury by a returning resident who has not taken advantage of the said exemption within the thirty-day period immediately preceding his return to the United States: *Provided further*, That no such special regulation or instruction shall take effect until the lapse of ninety days after the date of such special regulation or instruction: *And provided further*, That all articles exempted by this paragraph from the payment of duty shall also be exempt from the payment of any internal-revenue taxes.”

Articles exported for repairs or alterations.

Regulations for allowance of exemptions.

46 Stat. 683; 49 Stat. 1959.  
19 U. S. C., Supp. III, § 1201, par. 1798.

*Provisos.*  
Allowance, articles brought in by U. S. residents for personal use, etc.

Articles acquired in country other than a contiguous country maintaining free zone or free port.

Contiguous country which maintains free zone or port.

Application of exemptions restricted.

Special regulations, etc., effective date.

Exemption of articles from internal-revenue taxes.

Effective dates of provisions.  
*Ante*, pp. 1090, 1091.

SEC. 37. Sections 31 and 34 of this Act shall take effect on the date of enactment of this Act. Except as otherwise specially provided in this Act, the remainder of this Act shall take effect on the thirtieth day following the date of its enactment.

Approved, June 25, 1938, 5 p. m., E. S. T.

## [CHAPTER 680]

## AN ACT

June 25, 1938  
 [H. R. 10127]  
 [Public, No. 722]

To regulate interstate commerce by establishing an unemployment insurance system for individuals employed by certain employers engaged in interstate commerce, and for other purposes.

Railroad Unemployment Insurance Act.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

## Definitions.

## DEFINITIONS

Meaning of terms, except in amending other Acts.  
 "Employer."

SECTION 1. For the purposes of this Act, except when used in amending the provisions of other Acts—

*Proviso.*  
 Street, interurban, or suburban electric railways.

Lines operated by electric power, classification.

Inclusion of railroad associations, etc.

44 Stat. 577.  
 45 U. S. C. ch. 8; Supp. III, ch. 8.

"Carrier."  
 24 Stat. 379.  
 49 U. S. C. ch. 1; Supp. III, ch. 1.

"Company."

"Employee."

(a) The term "employer" means any carrier (as defined in subsection (b) of this section), and any company which is directly or indirectly owned or controlled by one or more such carriers or under common control therewith, and which operates any equipment or facility or performs any service (except trucking service, casual service, and the casual operation of equipment or facilities) in connection with the transportation of passengers or property by railroad, or the receipt, delivery, elevation, transfer in transit, refrigeration or icing, storage, or handling of property transported by railroad, and any receiver, trustee, or other individual or body, judicial or otherwise, when in the possession of the property or operating all or any part of the business of any such employer: *Provided, however,* That the term "employer" shall not include any street, interurban, or suburban electric railway, unless such railway is operating as a part of a general steam-railroad system of transportation, but shall not exclude any part of the general steam-railroad system of transportation now or hereafter operated by any other motive power. The Interstate Commerce Commission is hereby authorized and directed upon request of the Board, or upon complaint of any party interested, to determine after hearing whether any line operated by electric power falls within the terms of this proviso. The term "employer" shall also include railroad associations, traffic associations, tariff bureaus, demurrage bureaus, weighing and inspection bureaus, collection agencies, and other associations, bureaus, agencies, or organizations controlled and maintained wholly or principally by two or more employers as hereinbefore defined and engaged in the performance of services in connection with or incidental to railroad transportation; and railway labor organizations, national in scope, which have been or may be organized in accordance with the provisions of the Railway Labor Act, and their State and National legislative committees and their general committees and their insurance departments and their local lodges and divisions, established pursuant to the constitution and bylaws of such organizations.

(b) The term "carrier" means an express company, sleeping-car company, or carrier by railroad, subject to part I of the Interstate Commerce Act.

(c) The term "company" includes corporations, associations, and joint-stock companies.

(d) The term "employee" (except when used in phrases establishing a different meaning) means any individual who is or has been (i) in the service of one or more employers for compensation, or (ii) an

employee representative. The term "employee" shall include an employee of a local lodge or division defined as an employer in section 1 (a) only if he was in the service of a carrier on or after August 29, 1935. The term "employee" includes an officer of an employer.

An individual is in the service of an employer whether his service is rendered within or without the United States if he is subject to the continuing authority of the employer to supervise and direct the manner of rendition of his service, which service he renders for compensation: *Provided, however,* That an individual shall be deemed to be in the service of an employer not conducting the principal part of its business in the United States only when he is rendering service to it in the United States.

(e) The term "employee representative" means any officer or official representative of a railway labor organization other than a labor organization included in the term employer as defined in section 1 (a) who before or after August 29, 1935, was in the service of an employer as defined in section 1 (a) and who is duly authorized and designated to represent employees in accordance with the Railway Labor Act, and any individual who is regularly assigned to or regularly employed by such officer or official representative in connection with the duties of his office.

(f) The term "part-time worker" means any employee whose contract of hire (i) provides for regular employment for less than the normal number of hours per day, or less than the normal number of days per month, or both, prevailing for the class of service which he renders to one or more employers, and (ii) does not provide that he shall be continuously subject to call for service for the normal number of hours per day and the normal number of days per month prevailing for the class of service which he renders.

(g) The term "employment" means service performed as an employee.

(h) The term "half-month" means a period of any fifteen consecutive days; but, with respect to any individual no day shall be included in more than one half-month.

(i) The term "compensation" means any form of money, remuneration, including pay for time lost but excluding tips, payable for services rendered as an employee to one or more employers, or as an employee representative: *Provided, however,* That in computing the compensation payable to any employee with respect to any calendar month, no part of any compensation in excess of \$300 shall be recognized.

(j) The term "remuneration" means pay for services for hire, including pay for time lost, and tips, but pay for time lost shall be deemed earned on the day on which such time is lost. The term "remuneration" does not include (i) the voluntary payment by another, without deduction from the pay of an employee, of any tax or contribution now or hereafter imposed with respect to the remuneration of such employee, or (ii) any money payments received pursuant to any nongovernmental plan for unemployment insurance.

(k) Subject to the provisions of section 4 of this Act, a day of unemployment, with respect to any employee, means a calendar day on which he is able to work and is available for work and with respect to which (i) no remuneration is payable to him, and (ii) he has, in accordance with such regulations as the Board may prescribe, registered at an employment office: *Provided, however,* That with respect to a part-time worker a calendar day on which he is not normally employed shall not constitute a day of unemployment:

Service without the United States included.

*Proviso.*  
Status of person employed within, for a business without United States.

"Employee representative."

48 Stat. 1185.  
45 U. S. C. § 151.

"Part-time worker."

"Employment."

"Half-month."

"Compensation."

*Proviso.*  
Maximum amount recognized.

"Remuneration."

Payments not included.

A day of unemployment.  
*Post*, p. 1098.

*Proviso.*  
Part-time workers.

Where normal shift includes parts of two consecutive calendar days.

And provided further, That, with respect to any employee whose normal work shift includes a part of each of two consecutive calendar days, the term "calendar day", as heretofore used in this subsection, shall mean such equivalent period of twenty-four hours as the Board may by regulation prescribe.

"Base year."

(l) The term "base year" means the year with respect to which an employee's compensation is used in determining his qualification for, and the amounts of, benefits; and, with respect to any employee, shall be the last completed calendar year before the beginning of his benefit year if his benefit year begins on or after July 1 of any calendar year, and the next to the last completed calendar year before the beginning of his benefit year if his benefit year begins before July 1 of any calendar year.

"Benefits."

(m) The term "benefits" (except when used in the term "unemployment benefits") means the money payments payable to an employee as provided in this Act, with respect to his unemployment.

"Benefit year."

(n) The term "benefit year", with respect to any employee, means the twelve-months period which begins with the first day with respect to which benefits are first payable to him, and thereafter the twelve-months period which begins with the first day with respect to which benefits are next payable to him after the termination of his last preceding benefit year.

"Employment office."

(o) The term "employment office" means a free employment office operated by the Board, or designated as such by the Board pursuant to section 12 (i) of this Act.

Post, p. 1109.

"Account."

(p) The term "account" means the railroad unemployment insurance account established pursuant to section 10 of this Act in the unemployment trust fund.

"Fund."

(q) The term "fund" means the railroad unemployment insurance administration fund, established pursuant to section 11 of this Act.

Post, p. 1105.

"Board."

(r) The term "Board" means the Railroad Retirement Board.

"United States."

(s) The term "United States", when used in a geographical sense, means the States, Alaska, Hawaii, and the District of Columbia.

"State."

(t) The term "State" means any of the States, Alaska, Hawaii, or the District of Columbia.

References to Acts of Congress.

(u) Any reference in this Act to any other Act of Congress, including such reference in amendments to other Acts, includes a reference to such other Act as amended from time to time.

Benefits.

BENEFITS

Qualified employees.

SEC. 2. (a) Except as may otherwise be prescribed for part-time workers pursuant to subsection (d) of this section, a qualified employee shall be paid benefits for each day of unemployment in excess of seven during any half-month which begins after June 30, 1939.

Amount for each day of unemployment.

The benefits payable to any such employee for each such day of unemployment shall be the amount appearing in the following table in column II on the line on which, in column I, appears the compensation-range containing the total amount of compensation payable to him with respect to employment in his base year:

Table of rates.

Column I Total compensation	Column II Daily benefit amount
\$150 to \$199.99	\$1. 75
\$200 to \$474.99	2. 00
\$475 to \$749.99	2. 25
\$750 to \$1,024.99	2. 50
\$1,025 to \$1,299.99	2. 75
\$1,300 and over	3. 00

(b) The benefits provided for in this section shall be paid to an employee at such reasonable intervals as the Board may prescribe.

Intervals of payment.

(c) The maximum benefits payable to an employee for unemployment within his benefit year shall not exceed eighty times the daily benefits payable to him.

Yearly maximum, limitation.

(d) The Board shall prescribe regulations for determining the amount of daily benefits, and the maximum benefits during any benefit year, to be payable to part-time workers and for determining the days of unemployment with respect to which such benefits shall be payable. Such regulations shall provide benefits reasonably proportionate to the benefits hereinbefore provided for other employees, with due regard to the compensation payable per month to a part-time worker with respect to his part-time employment, as compared with the compensation per month prevailing in the same locality for employees employed by employers for the full-time hours or days per month prevailing in the locality for the same class of service. Such regulations shall provide also for the payment of such benefits to a part-time worker only with respect to his days of unemployment in excess of a number to be prescribed with due regard to the proportion of full time which he regularly works.

Part-time workers.

(e) The provisions of section 9 of the Railroad Retirement Act of 1937 shall be applicable to benefits under this Act to the same extent and in the same manner as therein provided with respect to annuities, death benefits, and pensions.

Erroneous payments.  
50 Stat. 314.  
45 U. S. C., Supp. III, § 228i.

(f) No benefits shall be assignable or be subject to any tax or to garnishment, attachment, or other legal process under any circumstances whatsoever, nor shall the payment thereof be anticipated.

Benefits not assignable, etc.

(g) If (i) benefits are paid to any employee with respect to any period, and there is later determined to be payable to such employee any remuneration with respect to such period, and (ii) the person or company from whom such remuneration is payable has, before payment thereof, notice of the payment of such benefits, the remuneration so payable shall not be reduced by reason of such benefits but the remuneration so payable, to the extent of such benefits, shall be held to be a special fund in trust for the Board. The amount of such special fund shall be paid to the Board and in the collection thereof the Board shall have the same authority, and the same penalties shall apply, as are provided in section 8 of this Act with respect to contributions. The proceeds of such special fund shall be credited to the account. The amount of such benefits, to the extent that it is represented in such a special fund which has been collected by the Board, shall be disregarded for the purposes of subsections (a) and (c) of this section.

If benefits paid and other remuneration payable.

Remuneration to be held as special trust fund.

#### QUALIFYING CONDITIONS

SEC. 3. An employee shall be qualified to receive benefits in accordance with section 2 of this Act only if the Board finds that—

Qualifying conditions.

(a) There was payable to him compensation of not less than \$150 with respect to employment during his base year; and

Minimum base year pay.

(b) Within six months prior to his benefit year and after June 15, 1939, he has had a waiting period of at least fifteen consecutive days of unemployment, or two half-months during each of which he had at least eight days of unemployment. No such period shall be counted for the purposes of this subsection if unemployment benefits have been paid with respect to the whole or any part thereof under this Act, any other Act of Congress, or under any other unemployment-compensation law.

Waiting period.



## DISQUALIFYING CONDITIONS

Disqualifying conditions.

Leaving work voluntarily without good cause.

Misconduct.

Failing to accept suitable work without good cause.

Called to report but unavailable.

Unemployment due to strike in violation of law, etc.

48 Stat. 1185.  
45 U. S. C. § 151.

False or fraudulent statements.

Receiving similar benefits under designated Acts.

49 Stat. 967; 50 Stat. 307.  
45 U. S. C., Supp. III, ch. 9.  
49 Stat. 622.  
42 U. S. C., Supp. III, §§ 401-410a.

Performance of 25 per centum of maximum employment allowable for calendar month in half-month.

Performance of 50 per centum of maximum employment allowable for calendar month in month.

Strike, etc., disqualification not to apply in specified cases.  
Nonparticipants, etc.

*Proviso.*  
Payment of dues not deemed financing strike.

SEC. 4 (a) There shall not be considered as a day of unemployment, with respect to any employee—

(i) any of the thirty days beginning with the day with respect to which the Board finds that he left work voluntarily without good cause;

(ii) any of the forty-five days beginning with the day with respect to which the Board finds that he was discharged or suspended for misconduct related to his work;

(iii) any of the thirty days beginning with the day with respect to which the Board finds that he failed, without good cause, to accept suitable work available on such day and offered to him;

(iv) any of the fifteen days beginning with the day with respect to which the Board finds that he was, with proper notice, called upon to report for suitable work available on such day and was able to work but was not available;

(v) subject to the provisions of subsection (b) of this section, any day with respect to which the Board finds that his unemployment was due to a stoppage of work because of a strike in the establishment, premises, or enterprise at which he was last employed, and the Board finds that such strike was commenced in violation of the provisions of the Railway Labor Act or in violation of the established rules and practices of a bona fide labor organization of which he was a member;

(vi) any of the seventy-five days beginning with the first day of any half-month with respect to which the Board finds that he knowingly made or aided in making or caused to be made any false or fraudulent statement or claim for the purpose of causing benefits to be paid;

(vii) any day in any period with respect to which the Board finds that he is receiving, has received, or has a right to receive compensation or other wages in lieu of notice, annuity payments, or pensions under the Railroad Retirement Act of 1935 or the Railroad Retirement Act of 1937, or old-age benefits under title II of the Social Security Act or payments for similar purposes under any other Act of Congress; or he is receiving or has received unemployment benefits under an unemployment compensation law of any State or of the United States other than this Act;

(viii) any day in any half-month with respect to which the Board finds that he performed at least 25 per centum of the maximum employment allowable to him for a calendar month pursuant to a contract of employment providing for the determination of his compensation, wholly or partially, on a mileage basis;

(ix) any day in any calendar month with respect to which the Board finds that he had prior to such day performed at least 50 per centum of the maximum employment allowable to him during such calendar month pursuant to a contract of employment providing for the determination of his compensation, wholly or partially, on a mileage basis.

(b) The disqualification provided in section 4 (a) (v) of this Act shall not apply if the Board finds that—

(i) the employee is not participating in or financing or directly interested in the strike which causes the stoppage of work: *Provided*, That payment of regular union dues shall not be construed to constitute financing a strike or direct interest in a strike within the meaning of this and the following paragraphs; and

(ii) he does not belong to a grade or class of workers of which, immediately before the commencement of the stoppage, there were members employed in the establishment, premises, or enterprise at which the stoppage occurs, any of whom are participating in or financing or directly interested in the dispute: *Provided*, That if separate types of work are commonly conducted in separate departments of a single enterprise, each such department shall, for the purposes of this subsection, be deemed to be a separate establishment, enterprise, or other premises.

(c) No work shall be deemed suitable for the purposes of section 4 (a) (iii) or 4 (a) (iv) of this Act, and benefits shall not be denied under this Act to any otherwise qualified employee for refusing to accept work if—

(i) the position offered is vacant due directly to a strike, lock-out, or other labor dispute;

(ii) the remuneration, hours, or other conditions of work offered are substantially less favorable to the employee than those prevailing for similar work in the locality, or the rate of remuneration is less than the union wage rate, if any, for similar work in the locality;

(iii) as a condition of being employed he would be required to join a company union or to resign from or refrain from joining any bona fide labor organization;

(iv) acceptance of the work would require him to engage in activities in violation of law or which, by reason of their being in violation of reasonable requirements of the constitution, bylaws, or similar regulations of a bona fide labor organization of which he is a member, would subject him to expulsion from such labor organization; or

(v) acceptance of the work would subject him to loss of substantial seniority rights under any collective bargaining agreement between a railway labor organization, organized in accordance with the provisions of the Railway Labor Act, and any other employer.

(d) In determining, within the limitations of section 4 (c) of this Act, whether or not any work is suitable for an employee for the purposes of sections 4 (a) (iii) and 4 (a) (iv) of this Act, the Board shall consider, in addition to such other factors as it deems relevant,

(i) the current practices recognized by management and labor with respect to such work; (ii) the degree of risk involved to such employee's health, safety, and morals; (iii) his physical fitness and prior training; (iv) his experience and prior earnings; (v) his length of unemployment and prospects for securing work in his customary occupation; and (vi) the distance of the available work from his residence and from his most recent work.

(e) For the purposes of section 4 (a) (i) of this Act, no voluntary leaving of work shall be deemed to have been without good cause if the Board finds that such work would not have been suitable for the purposes of sections 4 (a) (iii) and 4 (a) (iv) of this Act.

Person does not belong to class, any of whom are participants, etc.

*Proviso.*  
Enterprise conducting separate types of work.

When work offered deemed not suitable.  
*Ante*, p. 1098.

Position offered is vacant because of labor dispute.

Unfavorable labor conditions.

Labor organization membership.

Acceptance would involve law violation, etc.

Loss of substantial seniority rights, etc.

Additional factors to be considered.

Current recognized practices with respect to such work.

Degree of risk involved.

Physical fitness and training, experience and prior earnings.

Length of unemployment, etc.

Distance of available work.

Voluntary leaving of work defined.

*Ante*, p. 1098.

#### CLAIMS FOR BENEFITS

SEC. 5. (a) Claims for benefits and appeals from determinations with respect thereto shall be made in accordance with such regulations as the Board shall prescribe. Each employer shall post and maintain, in places readily accessible to employees in his service, such printed statements concerning such regulations as the Board supplies to him for such purpose, and shall keep available to his employees copies of such printed statements. Such printed statements shall be supplied by the Board to each employer without cost to him.

Claims for benefits and appeals from determinations; regulations governing.

Findings and decisions of Board.

(b) The Board is authorized and directed to make findings of fact with respect to any claim for benefits and to make decisions as to the right of any claimant to benefits. The Board is further authorized to hold such hearings, to conduct such investigations and other proceedings, and to establish, by regulations or otherwise, such procedures as it may deem necessary or proper for the determination of a right to benefits.

Hearings before district board when claims have been denied.

Establishment of district boards; composition, etc.

(c) Each claimant whose claim for benefits has been denied upon an initial determination with respect thereto, shall be granted an opportunity for a fair hearing thereon before a district board. The Board shall establish such district boards as it may deem necessary to provide for such hearings. Each district board shall consist of three members, one of whom shall be a representative of the Board, who shall serve as chairman, one of whom shall be appointed by the Board from recommendations made by representatives of employees, and one of whom shall be appointed by the Board from recommendations made by representatives of employers. Each of the latter two members shall not be subject to the civil-service laws or rules and shall be paid a per diem salary of such amount as the Board finds reasonable for each day of active service on such district board, plus necessary expenses. The Board may designate an alternate for each member of a district board to serve in the absence or disqualification of such member. In no case shall a hearing before a district board proceed unless the chairman thereof is present. In the absence or disqualification of any other member and his alternate, the chairman shall act alone as the district board.

Alternates.

Regulations governing filing of cases, decisions, and reviews.

Intermediate reviews.

(d) The Board shall prescribe regulations governing the filing of cases with and the decision of cases by district boards, and the review of such decisions. The Board may provide for intermediate reviews of such decisions by such bodies as the Board may establish or assign thereto. The Board may (i) on its own motion review a decision of a district board or of an intermediate reviewing body on the basis of the evidence previously submitted in such case, and may direct the taking of additional evidence, or (ii) permit such parties as it finds properly interested in the proceedings to take appeals to the Board. Unless a review or an appeal is had pursuant to this subsection, the decision of a district board or of an intermediate reviewing body shall, subject to such regulations as the Board may prescribe, be deemed to be the final decision of the Board.

Appeals.

Rules of evidence; record of proceedings, etc.

(e) In any proceeding other than a court proceeding, upon a claim for benefits, the rules of evidence prevailing in courts of law or equity shall not be controlling, but a full and complete record shall be kept of all proceedings and testimony, and the Board's final determination allowing or denying benefits, together with its findings of fact and conclusions of law in connection therewith, shall be communicated to the claimant within fifteen days after the date of such final determination.

Appeal to district court from final decision of Board; procedure.

48 Stat. 1185.

45 U. S. C. § 151.

Filing of petition for review.

(f) Any claimant, and any railway labor organization organized in accordance with the provisions of the Railway Labor Act, of which such claimant is a member, may, only after all administrative remedies within the Board have been availed of and exhausted, obtain a review of any final decision of the Board with reference to a claim for benefits by filing a petition for review within ninety days after the mailing of notice of such decision to the claimant, or within such further time as the Board may allow, in the United States district court for the judicial district in which the claimant resides, or in the United States District Court for the District of Columbia. A copy of such petition, together with initial process, shall forthwith

be served upon the Board or any officer designated by it for such purpose. Service may be made upon the Board by registered mail addressed to the Chairman. Within fifteen days after receipt of service, or within such additional time as the court may allow, the Board shall certify and file with the court in which such petition has been filed a transcript of the record upon which the findings and decision complained of are based. Upon such filing the court shall have exclusive jurisdiction of the proceeding and of the question determined therein, and shall give precedence in the adjudication thereof over all other civil cases not otherwise entitled by law to precedence. It shall have power to enter upon the pleadings and transcript of the record a decree affirming, modifying, or reversing the decision of the Board, with or without remanding the cause for rehearing. The findings of the Board as to the facts, if supported by evidence and in the absence of fraud, shall be conclusive. No additional evidence shall be received by the court, but the court may order additional evidence to be taken before the Board, and the Board may, after hearing such additional evidence, modify its findings of fact and conclusions and file such additional or modified findings and conclusions with the court, and the Board shall file with the court a transcript of the additional record. The judgment and decree of the court shall be final, subject to review as in equity cases.

An applicant for review of a final decision of the Board concerning a claim for benefits shall not be liable for costs, including costs of service, or costs of printing records, except that costs may be assessed by the court against such applicant if the court determines that the proceedings for such review have been instituted or continued without reasonable ground.

Claimant not liable for costs; exception.

(g) Findings of fact and conclusions of law of the Board in the determination of any claim for benefits or refund and the determination of the Board that the unexpended funds in the account are available for the payment of any claim for benefits or refund under this Act, shall be, except as provided in subsection (f) of this section, binding and conclusive for all purposes and upon all persons, including the Comptroller General and any other administrative or accounting officer, employee, or agent of the United States, and shall not be subject to review in any manner other than that set forth in subsection (f) of this section.

Findings of fact and conclusions of law of Board, etc., conclusive; exception.

(h) Except as may be otherwise prescribed by regulations of the Board, benefits payable with respect to any period prior to the date of a final decision of the Board with respect to a claim therefor, shall be paid only after such final decision.

Benefits payable before Board's final decision.

(i) No claimant claiming benefits shall be charged fees of any kind by the Board, its employees or representatives, with respect to such claim. Any such claimant may be represented by counsel or other duly authorized agent, in any proceeding before the Board or its representatives or a court, but no such counsel or agent shall either charge or receive for such services more than an amount approved by the Board or by the court before whom the proceedings of the Board are reviewed. Any person who violates any provision of this subsection shall be punished by a fine of not more than \$10,000 or by imprisonment not exceeding one year.

Restriction on charging of fees by Board.

Representation by counsel; limitation on fees.

Penalty for violation.

#### CONCLUSIVENESS OF RETURNS OF COMPENSATION AND OF FAILURE TO MAKE RETURNS OF COMPENSATION

SEC. 6. Employers shall file with the Board, in such manner and form and at such times as the Board by regulations may prescribe, returns under oath of monthly compensation of employees, and, if

Conclusiveness of returns of compensation and of failure to make returns of compensation.

the Board shall so require, shall furnish employees with statements of their monthly compensation as reported to the Board. Any such return shall be conclusive as to the amount of compensation earned by an employee during each month covered by the return, and the fact that no return was made of the compensation claimed to be earned by an employee during a particular calendar month shall be taken as conclusive that no compensation was earned by such employee during that month, unless the error in the amount of compensation returned in the one case, or the failure to make return of the compensation in the other case, is called to the attention of the Board within four years after the last date on which return of the compensation was required to be made.

#### FREE TRANSPORTATION

Free transportation.

SEC. 7. It shall not be unlawful for carriers to furnish free transportation to employees qualified for benefits or serving waiting periods under this Act.

Contributions.

#### CONTRIBUTIONS

Payment by employer with respect to employees in his service.

SEC. 8. (a) Every employer shall pay a contribution, with respect to having employees in his service, equal to 3 per centum of so much of the compensation as is not in excess of \$300 for any calendar month payable by him to any employee with respect to employment after June 30, 1939: *Provided, however,* That if compensation is payable to an employee by more than one employer with respect to any such calendar month, the contributions required by this subsection shall apply to not more than \$300 of the aggregate compensation payable to said employee by all said employers with respect to such calendar month, and each such employer shall be liable for that proportion of the contribution with respect to such compensation which the amount payable by him to the employee with respect to such calendar month bears to the aggregate compensation payable to such employee by all employers with respect to such calendar month.

*Proviso.*  
Compensation payable by more than one employer.

Liability for payment.

Employee representative, contribution.

Determination of compensation and contribution.

Fractions of cent.

Adjustments.

(b) Each employee representative shall pay, with respect to his income, a contribution equal to 3 per centum of so much of the compensation of such employee representative as is not in excess of \$300 for any calendar month, paid to him for services performed as an employee representative after June 30, 1939. The compensation of an employee representative and the contribution with respect thereto shall be determined in the same manner and with the same effect as if the employee organization by which such employee representative is employed were an employer as defined in this Act.

(c) In the payment of any contribution under this Act, a fractional part of a cent shall be disregarded unless it amounts to one-half cent or more, in which case it shall be increased to one cent.

(d) If more or less than the correct amount of the contribution required by this section is paid with respect to any compensation, then, under regulations prescribed under this Act by the Board, proper adjustments with respect to the contribution shall be made, without interest, in connection with subsequent contribution payments made under this Act by the same employer or employee representative.

(e) If more or less than the correct amount of the contribution required by this section is paid with respect to any compensation and the overpayment or underpayment of the contribution cannot be adjusted under subsection (d) of this section, the amount of the overpayment shall be refunded from the account, or the amount of the underpayment shall be collected, in such manner and at such times (subject to the statute of limitations properly applicable thereto) as may be prescribed by regulations of the Board.

(f) The contributions required by this Act shall be collected by the Board and shall be deposited by it with the Secretary of the Treasury of the United States, 90 per centum thereof to the credit of the account and 10 per centum thereof to the credit of the fund.

(g) The contributions required by this Act shall be collected and paid quarterly or at such other times and in such manner and under such conditions not inconsistent with this Act as may be prescribed by regulations of the Board, and shall not be deducted, in whole or in part, from the compensation of employees in the employer's employ. If a contribution required by this Act is not paid when due, there shall be added to the amount payable (except in the case of adjustments made in accordance with the provisions of this Act) interest at the rate of 1 per centum per month or fraction of a month from the date the contribution became due until paid. Any interest collected pursuant to this subsection shall be credited to the account.

(h) All provisions of law, including penalties, applicable with respect to any tax imposed by section 600 or section 800 of the Revenue Act of 1926, and the provisions of section 607 of the Revenue Act of 1934, insofar as applicable and not inconsistent with the provisions of this Act, shall be applicable with respect to the contributions required by this Act: *Provided, however*, That all authority and functions conferred by or pursuant to such provisions upon any officers or employees of the United States, except the authority to institute and prosecute, and the function of instituting and prosecuting, criminal proceedings, shall, with respect to the contributions required by this Act, be vested in and exercised by the Board or such officers and employees of the Board as it may designate therefor.

#### PENALTIES

SEC. 9. (a) Any officer or agent of an employer, or any employee representative, or any employee acting in his own behalf, or any person whether or not of the character hereinbefore defined, who shall willfully fail or refuse to make any report or furnish any information required by the Board in the administration of this Act, or who shall knowingly make or aid in making or cause to be made any false or fraudulent statement or report when a statement or report is required to be made for the purposes of this Act, or who shall knowingly make or aid in making or cause to be made any false or fraudulent statement or claim for the purpose of causing benefits or other payment to be made or not to be made under this Act, shall be punished by a fine of not more than \$10,000 or by imprisonment not exceeding one year, or both.

(b) Any agreement by an employee to pay all or any portion of the contribution required of his employer under this Act shall be void, and it shall be unlawful for any employer, or officer or agent of an employer, to make, require, or permit any employee to bear all or any portion of such contribution. Any employer, or officer or agent of an employer, who violates any provision of this subsection shall be punished for each such violation by a fine of not more than \$10,000 or by imprisonment not exceeding one year, or both.

(c) Any person who violates any provision of this Act, the punishment for which is not otherwise provided, shall be punished for each such violation by a fine of not more than \$1,000 or by imprisonment not exceeding one year, or both.

(d) All fines and penalties imposed by a court pursuant to this Act shall be paid to the court and be remitted from time to time by order of the judge to the Treasury of the United States to be credited to the account.

Division of deposits.

Quarterly collections of contributions.

Interest charge on arrearage; exception.

Provisions of law applicable.  
44 Stat. 93, 99; 48 Stat. 768.

*Proviso.*  
Authority and functions vested in Board; exception.

Penalties.

Failure to make report or furnish information.

False, etc., statement.

Payment by employee of any portion of contribution required of employer.

Violation of any provision of Act not otherwise provided for.

Crediting fines, etc., imposed by court to account.

## RAILROAD UNEMPLOYMENT INSURANCE ACCOUNT

Railroad unemployment insurance account.  
Maintenance.

49 Stat. 640.  
42 U. S. C., Supp.  
III, § 1104.  
Composition.

*Ante*, p. 1102.

*Post*, pp. 1110, 1112.

49 Stat. 641.  
42 U. S. C., Supp.  
III, § 1104 (e).

*Post*, p. 1105.

*Ante*, p. 1097; *post*,  
p. 1108.  
Availability for ex-  
penditure.

Restriction on use.  
Certification of  
names of beneficiaries.

Payments prior to  
audit.

*Proviso*.  
Distribution  
through employment  
offices, etc.

Statement of status  
and operation in an-  
nual report to Con-  
gress.

Advances for paying  
benefits; repayment.

49 Stat. 640.  
42 U. S. C., Supp.  
III, § 1104 (a).

Unemployment  
trust fund; establish-  
ment.  
Receipt of deposited  
funds.

Depositories.

SEC. 10. (a) The Secretary of the Treasury shall maintain in the unemployment trust fund established pursuant to section 904 of the Social Security Act an account to be known as the railroad unemployment insurance account. This account shall consist of (i) 90 per centum of all contributions collected pursuant to section 8 of this Act, together with all interest thereon collected pursuant to section 8 of this Act; (ii) all amounts transferred or paid into the account pursuant to section 13 or section 14 of this Act; (iii) all additional amounts appropriated to the account in accordance with any provision of this Act or with any provision of law now or hereafter adopted; (iv) a proportionate part of the earnings of the unemployment trust fund, computed in accordance with the provisions of section 904 (e) of the Social Security Act; (v) all amounts realized in recoveries for overpayments or erroneous payments of benefits; (vi) all amounts transferred thereto pursuant to section 11 of this Act; (vii) all fines or penalties collected pursuant to the provisions of this Act; and (viii) all amounts credited thereto pursuant to section 2 (g) or section 12 (g) of this Act. Notwithstanding any other provision of law, all moneys credited to the account shall be mingled and undivided, and are hereby permanently appropriated to the Board to be continuously available to the Board without further appropriation, for the payment of benefits and refunds under this Act, and no part thereof shall lapse at any time, or be carried to the surplus fund or any other fund.

(b) All moneys in the account shall be used solely for the payment of the benefits and refunds provided for by this Act. The Board shall, from time to time, certify to the Secretary of the Treasury the name and address of each person or company entitled to receive benefits or a refund payment under this Act, the amount of such payment, and the time at which it shall be made. Prior to audit or settlement by the General Accounting Office, the Secretary of the Treasury, through the Division of Disbursements of the Treasury Department, shall make payments from the account directly to such person or company of the amount of benefits or refund so certified by the Board: *Provided, however*, That if the Board shall so request, the Secretary of the Treasury, through the Division of Disbursements of the Treasury Department, shall transmit benefits payments to the Board for distribution by it through employment offices or in such other manner as the Board deems proper.

(c) The Board shall include in its annual report to Congress a statement with respect to the status and operation of the account.

(d) The Secretary of the Treasury is hereby directed to advance to the credit of the account such sums, but not more than \$25,000,000, as the Board requests for the purpose of paying benefits. Such sums shall be repaid from the account on January 1, 1941, or at such earlier time as the Board may, by agreement with the Secretary of the Treasury, determine.

(e) Section 904 (a) of the Social Security Act is hereby amended to read as follows:

"There is hereby established in the Treasury of the United States a trust fund to be known as the 'unemployment trust fund', hereinafter in this title called the 'fund'. The Secretary of the Treasury is authorized and directed to receive and hold in the fund all moneys deposited therein by a State agency from a State unemployment fund, or by the Railroad Retirement Board to the credit of the railroad unemployment insurance account. Such deposit may be made directly with the Secretary of the Treasury or with any Federal Reserve bank or member bank of the Federal Reserve System designated by him for such purpose."

(f) Section 904 (e) of the Social Security Act is hereby amended to read as follows:

"The fund shall be invested as a single fund, but the Secretary of the Treasury shall maintain a separate book account for each State agency and the railroad unemployment insurance account and shall credit quarterly on March 31, June 30, September 30, and December 31, of each year, to each account, on the basis of the average daily balance of such account, a proportionate part of the earnings of the fund for the quarter ending on such date."

(g) Section 904 (f) of the Social Security Act is hereby amended by adding thereto the following sentence: "The Secretary of the Treasury is authorized and directed to make such payments out of the fund as the Railroad Retirement Board may duly certify, not exceeding the amount standing to the railroad unemployment insurance account at the time of such payment."

#### RAILROAD UNEMPLOYMENT INSURANCE ADMINISTRATION FUND

SEC. 11. (a) There is hereby established in the Treasury of the United States a fund to be known as the railroad unemployment insurance administration fund. This fund shall consist of (i) 10 per centum of all contributions collected pursuant to section 8 of this Act; (ii) all amounts advanced to the fund by the Secretary of the Treasury pursuant to this section; (iii) all amounts appropriated by subsection (b) of this section; and (iv) such additional amounts as Congress may appropriate for expenses necessary or incidental to administering this Act. Such additional amounts are hereby authorized to be appropriated.

(b) In addition to the other moneys herein provided for expenses necessary or incidental to administering this Act, there is hereby appropriated to the fund such amount as the Secretary of the Treasury and the Board shall jointly estimate to have been collected or to be collectible with respect to the calendar years 1936, 1937, 1938, and 1939, from employers subject to this Act, under title IX of the Social Security Act, less such amount as the Secretary of the Treasury and the Board shall jointly estimate will be appropriated or has been appropriated to States or Territories pursuant to the Act of Congress approved August 24, 1937 (Public, Numbered 353, Seventy-fifth Congress), as proceeds of taxes paid by employers pursuant to title IX of the Social Security Act.

Until the amount appropriated by this subsection is credited to the fund, the Secretary of the Treasury is hereby directed to advance to the credit of the fund such sums, but not more than \$2,000,000, as the Board requests for the purpose of financing the costs of administering this Act, including personal services in the District of<sup>1</sup> such time after the amount appropriated by this subsection is credited to the fund as the Board by agreement with the Secretary of the Treasury may determine, but not later than January 1, 1940.

(c) Notwithstanding any other provision of law, all moneys at any time credited to the fund are hereby permanently appropriated to the Board to be continuously available to the Board without further appropriation for any expenses necessary or incidental to administering this Act. Such advance shall be repaid from the fund at<sup>1</sup> Columbia and elsewhere; travel expenses, including expenses of attendance at meetings when authorized by the Board; actual transportation expenses and not to exceed \$10 per diem to cover subsistence and other expenses while in attendance at and en route to and from the place to which he is invited, to any person other than an employee of the Federal Government who may, from time to time, be invited

49 Stat. 641.  
42 U. S. C., Supp.  
III, § 1104 (e).  
Investment as a  
single fund; account-  
ing.

Payments.

Railroad unemploy-  
ment insurance ad-  
ministration fund.  
Establishment.

Composition.

*Ante*, p. 1102.

Additional sums ap-  
propriated for ex-  
penses.

49 Stat. 639.  
42 U. S. C., Supp.  
III, § 1101.  
Deduction of appro-  
priations to States or  
Territories.

50 Stat. 754.

Advances to credit  
of fund.

Availability of  
moneys credited to  
fund.

Travel and miscel-  
laneous expenses.

<sup>1</sup> So in original.



to the city of Washington or elsewhere for conference or advisory purposes in furthering the work of the Board; when found by the Board to be in the interest of the Government, not exceeding 3 per centum, in any fiscal year, of the amounts credited during such year to the fund, for engaging persons or organizations, by contract or otherwise, for any special technical or professional services, determined necessary by the Board, including but not restricted to accounting, actuarial, statistical, and reporting services, without regard to section 3709 of the Revised Statutes (U. S. C., title 41, sec. 5) and the provisions of other laws applicable to the employment and compensation of officers and employees of the United States; services; advertising, postage, telephone, telegraph, teletype, and other communication services and tolls; supplies; reproducing, photographing, and all other equipment, office appliances, and labor-saving devices, including devices for internal communication and conveyance; purchase and exchange, operation, maintenance and repair of motor-propelled passenger-carrying vehicles to be used only for official purposes in the District of Columbia and in the field; printing and binding; purchase and exchange of law books, books of reference, and directories; periodicals, newspapers and press clippings, in such amounts as the Board deems necessary, without regard to the provisions of section 192 of the Revised Statutes; manuscripts and special reports; membership fees or dues in organizations which issue publications to members only, or to members at a lower price than to others, payment for which may be made in advance; rentals, including garages, in the District of Columbia or elsewhere; alterations and repairs; if found by the Board to be necessary to expedite the certification to the Board by the Civil Service Commission of persons eligible to be employed by the Board, and to the extent that the Board finds such expedition necessary, meeting the expenses of the Civil Service Commission in holding examinations for testing the fitness of applicants for admission to the classified service for employment by the Board pursuant to the second paragraph of section 12 (1) of this Act, but not to exceed the additional expenses found by the Board to have been incurred by reason of the holding of such examinations; and miscellaneous items, including those for public instruction and information deemed necessary by the Board: *Provided*, That section 3709 of Revised Statutes (U. S. C., title 41, sec. 5) shall not be construed to apply to any purchase or procurement of supplies or services by the Board from moneys in the fund when the aggregate amount involved does not exceed \$300. Determinations of the Board whether the fund or an appropriation for the administration of the Railroad Retirement Act of 1937 and the Railroad Retirement Act of 1935 is properly chargeable with the authorized expenses, or parts thereof, incurred in the administration of such Acts, or of this Act, shall be binding and conclusive for all purposes and upon all persons, including the Comptroller General and any other administrative or accounting officer, employee, or agent of the United States, and shall not be subject to review in any manner.

(d) No part of the fund shall lapse at any time, or be carried to the surplus fund or any other fund, except that at the expiration of the fiscal year 1946, and of each fiscal year thereafter, there shall be transferred from the fund and credited to the account such part as the Board deems proper of the excess, if any, of the amount credited to the fund during the preceding seven fiscal years pursuant to section 8 (f) of this Act over the total amount expended by the Board during the same period for the purpose of administering this Act.

Contract, etc., services.

R. S. § 3709.  
41 U. S. C. § 5.

Vehicles.

Printing and binding.

Newspapers, etc.

R. S. § 192.  
5 U. S. C. § 102.

Civil service examinations.

*Provido.*  
Minor purchases.  
R. S. § 3709.  
41 U. S. C. § 5.

Determination of accounts.

50 Stat. 307; 49 Stat. 967.  
45 U. S. C., Supp. III, ch. 9.

Transfer to account of excess credited to fund.

## DUTIES AND POWERS OF THE BOARD

SEC. 12. (a) For the purpose of any investigation or other proceeding relative to the determination of any right to benefits, or relative to any other matter within its jurisdiction under this Act, the Board shall have the power to issue subpoenas requiring the attendance and testimony of witnesses and the production of any evidence, documentary or otherwise, that relates to any matter under investigation or in question, before the Board or any member, employee, or representative thereof. Any member of the Board or any of its employees or representatives designated by it may administer oaths and affirmations, examine witnesses, and receive evidence. Such attendance of witnesses and production of evidence may be required from any place in the United States or any Territory or possession thereof at any designated place of hearing. All subpoenas may be served and returned by anyone authorized by the Board in the same manner as is now provided by law for the service and return by United States marshals of subpoenas in suits in equity. Such service may also be made by registered mail and in such case the return post-office receipt shall be proof of service. Witnesses summoned in accordance with this subsection shall be paid the same fees and mileage as are paid witnesses in the district courts of the United States.

(b) In case of contumacy by, or refusal to obey a subpoena lawfully issued to, any person, the Board may invoke the aid of the district court of the United States or the United States courts of any Territory or possession, where such person is found or resides or is otherwise subject to service of process, or the District Court of the United States for the District of Columbia if the investigation or proceeding is being carried on in the District of Columbia, in requiring the attendance and testimony of witnesses and the production of evidence. Any such court shall issue an order requiring such person to appear before the Board or its specified employee or representative at the place specified in the subpoena of the Board, whether within or without the judicial district of the court, there to produce evidence, if so ordered, or there to give testimony concerning the matter under investigation or in question; and any failure to obey such order of the court may be punished by said court as a contempt thereof. All orders, writs, and processes in any such proceeding may be served in the judicial district of the district court issuing such order, writ, or process, except that the orders, writs, and processes of the District Court of the United States for the District of Columbia in such proceedings may run and be served anywhere in the United States.

(c) No person shall be excused from attending or testifying in obedience to a subpoena issued under this Act or from complying with any subpoena duces tecum issued under this Act, on the ground that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to a penalty or forfeiture; but no person shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he is compelled, after having claimed his privilege against self-incrimination, to testify or produce evidence, documentary or otherwise, but such person so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

(d) Information obtained by the Board in connection with the administration of this Act shall not be revealed or open to inspection nor be published in any manner revealing an employee's identity:

Duties and powers of Board.

Issuance of subpoenas.

Oaths, etc.

Attendance of witnesses.

Witness fees and mileage.

Action in case of contumacy, etc.

Service of court orders.

Self-incrimination no excuse from testifying, etc.

Immunity from prosecution, etc.

Inviolability of information obtained.

*Proviso.*  
Exchange of information with governmental agencies.

*Certification of claims for benefits and refunds.*

*Cooperation with State, etc., agencies with respect to investigations, etc.*

*Compensation.*

*Agreements concerning administration, etc.*

*Proviso.*  
Finding by Board.

*Determination of qualification and amount of benefit due employee.*

*Ante, pp. 1096, 1097.*

*Eligibility under State law.*

*Provided, however,* That (i) the Board may arrange for the exchange of any information with governmental agencies engaged in functions related to the administration of this Act; (ii) the Board may disclose such information in cases in which the Board finds that such disclosure is clearly in furtherance of the interest of the employee or his estate; and (iii) any claimant of benefits under this Act shall, upon his request, be supplied with information from the Board's records pertaining to his claim.

(e) The Board shall provide for the certification of claims for benefits and refunds and may arrange total or partial settlements at such times and in such manner as may appear to the Board to be expedient. The Board shall designate and authorize one or more of its employees to sign vouchers for the payment of benefits and refunds under this Act. Each such employee shall give bond, in form and amount fixed by the Board, conditioned upon the faithful performance of his duties. The premiums due on such bonds shall be paid from the fund and deemed to be a part of the expenses of administering this Act.

(f) The Board may cooperate with or enter into agreement with the appropriate agencies charged with the administration of State, Territorial, Federal, or foreign unemployment-compensation laws or employment offices, with respect to investigations, the exchange of information and services, the establishment, maintenance, and use of free employment service facilities, and such other matters as the Board deems expedient in connection with the administration of this Act, and may compensate any such agency for services or facilities supplied to the Board in connection with the administration of this Act. The Board may enter also into agreements with any such agency, pursuant to which any unemployment benefits provided for by this Act or any other unemployment-compensation law, may be paid through a single agency to persons who have, during the period on the basis of which eligibility for and duration of benefits is determined under the law administered by such agency or under this Act, or both, performed services covered by one or more of such laws, or performed services which constitute employment as defined in this Act: *Provided*, That the Board finds that any such agreement is fair and reasonable as to all affected interests.

(g) In determining whether an employee has qualified for benefits in accordance with section 3 (a) of this Act, and in determining the amount of benefits to be paid to such employee in accordance with sections 2 (a) and 2 (c) of this Act, the Board is authorized to consider as employment (and compensation therefor) services for hire other than employment (and remuneration therefor) if such services for hire are subject to an unemployment-compensation law of any State, provided that such State has agreed to reimburse the United States such portion of the benefits to be paid upon such basis to such employee as the Board deems equitable. Any amounts collected pursuant to this paragraph shall be credited to the account.

If a State, in determining whether an employee is eligible for unemployment benefits under an unemployment compensation law of such State, and in determining the amount of unemployment benefits to be paid to such employee pursuant to such unemployment compensation law, considers as services for hire (and remuneration therefor) included within the provisions of such unemployment-compensation law, employment (and compensation therefor) after June 30, 1939, the Board is authorized to reimburse such State such portion of such unemployment benefits as the Board deems equitable; such reimbursements shall be paid from the account, and are included within the meaning of the word "benefits" as used in this Act.

(h) The Board may enter into agreements or arrangements with employers, organizations of employers, and railway-labor organizations which are duly organized in accordance with the provisions of the Railway Labor Act, for securing the performance of services or the use of facilities in connection with the administration of this Act, and may compensate any such employer or organization therefor upon such reasonable basis as the Board shall prescribe, but not to exceed the additional expense incurred by such employer or organization by reason of the performance of such services or making available the use of such facilities pursuant to such agreements or arrangements. Such employers and organizations, and persons employed by either of them, shall not be subject to the Act of Congress approved March 3, 1917 (39 Stat. 1106, ch. 163, sec. 1).

(i) The Board may establish, maintain, and operate free employment offices, and may designate as free employment offices facilities maintained by (i) a railway labor organization which is duly authorized and designated to represent employees in accordance with the Railway Labor Act, or (ii) any other labor organization which has been or may be organized in accordance with the provisions of the Railway Labor Act, or (iii) one or more employers, or (iv) an organization of employers, or (v) a group of such employers and labor organizations, or (vi) a State, Territorial, foreign, or the Federal Government. The Board may also enter into agreements or arrangements with one or more employers or railway labor organizations organized in accordance with the provisions of the Railway Labor Act, pursuant to which notice of the availability of work and the rights of employees with respect to such work under agreements between such employers and railway labor organizations may be filed with employment offices and pursuant to which employees registered with employment offices may be referred to such work.

The Board shall prescribe a procedure for registration of unemployed employees at employment offices. Such procedure for registration shall be prescribed with a view to such registration affording substantial evidence of the days of unemployment of the employees who register. The Board may, when such registration is made personally by an employee, accept such registration as initial proof of unemployment sufficient to certify for payment a claim for benefits.

The regulations of the Board concerning registration at employment offices by unemployed persons may provide for group registration and reporting, through employers, and need not be uniform with respect to different classes of employees.

The operation of any employment facility operated by the Board shall be directed primarily toward the reemployment of employees who have theretofore been substantially employed by employers.

(j) The Board may appoint national or local advisory councils composed of equal numbers of representatives of employers, representatives of employees, and persons representing the general public, for the purpose of discussing problems in connection with the administration of this Act and aiding the Board in formulating policies. The members of such councils shall serve without remuneration, but shall be reimbursed for any necessary traveling and subsistence expenses or on a per diem basis in lieu of subsistence expenses.

(k) The Board, with the advice and aid of any advisory council appointed by it, shall take appropriate steps to reduce and prevent unemployment and loss of earnings; to encourage and assist in the adoption of practical methods of vocational training, retraining, and vocational guidance; to promote the reemployment of unem-

Agreements with employers, etc., in connection with administration.  
44 Stat. 577.  
45 U. S. C. ch. 8; Supp. III, ch. 8.

Compensation; restriction.

Receiving salary from source other than United States, provision waived.  
39 Stat. 1106.  
5 U. S. C. § 66.  
Free employment offices.

Procedure for registration of unemployed employees at employment offices.

Group registration and reporting.

Primary purpose of employment facility.

Advisory councils; composition.

Compensation restriction: expenses.

Vocational training, etc.

Powers and duties of Board.	employed employees; and to these ends to carry on and publish the results of investigations and research studies.
50 Stat. 315. 45 U. S. C., Supp. III, § 228j(b)4. Employees. 50 Stat. 319. 45 U. S. C., Supp. III, §§ 215-228. Civil service status.	(1) In addition to the powers and duties expressly provided, the Board shall have and exercise all the powers and duties necessary to administer or incidental to administering this Act, and in connection therewith shall have such of the powers, duties, and remedies provided in section 10 (b) (4) of the Railroad Retirement Act of 1937, with respect to the administration of said Act, as are not inconsistent with the express provisions of this Act. A person in the employ of the Board under section 205 of the Act of Congress approved June 24, 1937 (50 Stat. 307), shall acquire a competitive classified civil-service status if, after recommendation by the Board to the Civil Service Commission, he shall pass such noncompetitive tests of fitness as the Civil Service Commission may prescribe.
Employment of personnel. 5 U. S. C. §§ 631-652; 661-674; Supp. III, §§ 673, 673c. Director of Unemployment Insurance, salary. Provisos. Preference among applicants.	The Board may employ such persons and provide for their remuneration and expenses, as may be necessary for the proper administration of this Act. Such persons shall be employed and their remuneration prescribed in accordance with the civil-service laws and the Classification Act of 1923, except that the Board may fix the salary of a Director of Unemployment Insurance at \$10,000 per annum: <i>Provided</i> , That in the employment of such persons the Board shall give preference, as between applicants attaining the same grades, to persons who have had experience in railroad service, and notwithstanding any other provisions of law, rules, or regulations, no other preference shall be given or recognized: <i>And provided further</i> , That certification by the Civil Service Commission of persons for appointment to any positions at minimum salaries of \$4,600 per annum, or less, shall, if the Board so requests, be upon the basis of competitive examinations, written, oral, or both, as the Board may request.
Certification for appointment, basis of.	(m) The Board is authorized to delegate to any member, officer, or employee of the Board any of the powers conferred upon the Board by this Act, excluding only the power to prescribe rules and regulations.
Delegation of powers.	<b>EXCLUSIVENESS OF PROVISIONS; TRANSFERS FROM STATE UNEMPLOYMENT COMPENSATION ACCOUNTS TO RAILROAD UNEMPLOYMENT INSURANCE ACCOUNT</b>
Exclusiveness of provisions; transfers from State unemployment compensation accounts, etc. Employment; term extended. 49 Stat. 643. 42 U. S. C., Supp. III, § 1107.	<b>SEC. 13.</b> (a) Effective July 1, 1939, section 907 (c) of the Social Security Act is hereby amended by substituting a semicolon for the period at the end thereof, and by adding: "(8) service performed in the employ of an employer as defined in the Railroad Unemployment Insurance Act and service performed as an employee representative as defined in said Act."
Exclusiveness of provisions.	(b) By enactment of this Act the Congress makes exclusive provision for the payment of unemployment benefits for unemployment occurring after June 30, 1939, based upon employment (as defined in this Act). No employee shall have or assert any right to unemployment benefits under an unemployment compensation law of any State with respect to unemployment occurring after June 30, 1939, based upon employment (as defined in this Act). The Congress finds and declares that by virtue of the enactment of this Act, the application of State unemployment compensation laws after June 30, 1939, to such employment, except pursuant to section 12 (g) of this Act, would constitute an undue burden upon, and an undue interference with the effective regulation of, interstate commerce. In furtherance of such determination, after June 30, 1939, the term "person" as used in section 906 of the Social Security Act shall not be construed to include any employer (as defined in this Act) or any
Ante, p. 1095.	
Legislative finding.	
Ante, p. 1108.	
49 Stat. 642. 42 U. S. C., Supp. III, § 1106.	

person in its employ: *Provided*, That no provision of this Act shall be construed to affect the payment of unemployment benefits with respect to any period prior to July 1, 1939, under an unemployment compensation law of any State based upon employment performed prior to July 1, 1939, and prior to such date employment as defined in this Act shall not constitute "Service with respect to which unemployment compensation is payable under an [or "service under any"] unemployment compensation system [or "plan"] established by an Act of Congress" [or "a law of the United States"] or "employment in interstate commerce, of an individual who is covered by an unemployment compensation system established directly by an Act of Congress," or any term of similar import, used in any unemployment compensation law of any State.

(c) The Social Security Board is hereby directed to determine for each State, after agreement with the Railroad Retirement Board, and after consultation with such State; the total (hereinafter referred to as the "preliminary amount") of (i) the amount remaining as the balances of reserve accounts of employers as of June 30, 1939, if the unemployment compensation law of such State provides for a type of fund known as "Reserve Accounts", plus (ii) if the unemployment compensation law of such State provides for a type of fund known as "Pooled Fund" or "Pooled Account", that proportion of the balance of such fund or account of such State as of June 30, 1939, as the amount of taxes or contributions collected from employers and their employees prior to July 1, 1939, pursuant to its unemployment compensation law and credited to such fund or account bears to all such taxes or contributions theretofore collected from all persons subject to its unemployment compensation law and credited to such fund or account; and the additional amounts (hereinafter referred to as the "liquidating amount") of taxes or contributions collected from employers and their employees from July 1, 1939 to December 31, 1939, pursuant to its unemployment compensation law.

(d) The Social Security Board shall withhold from certification to the Secretary of the Treasury for payment the amounts determined by it pursuant to section 302 (a) of the Social Security Act to be necessary for the proper administration of each State's unemployment-compensation law, until an amount equal to its "preliminary amount" plus interest from July 1, 1939, at 2½ per centum per annum on such portion thereof as has not been used as the measure for withholding certification for payment, has been so withheld from certification pursuant to this paragraph: *Provided, however*, That if a State shall, prior to whichever is the later of (i) thirty days after the close of the first regular session of its legislature which begins after the approval of this Act, and (ii) July 1, 1939, authorize and direct the Secretary of the Treasury to transfer from its account in the unemployment trust fund to the railroad unemployment-compensation account in the unemployment trust fund an amount equal to its "preliminary amount", no amount shall be withheld from certification for payment to such State pursuant to this paragraph.

The Social Security Board shall withhold from certification to the Secretary of the Treasury for payment the amounts determined by it pursuant to section 302 (a) of the Social Security Act to be necessary for the proper administration of each State's unemployment compensation law, until an amount equal to its "liquidating amount" plus interest from January 1, 1940, at 2½ per centum per annum on such portion thereof as has not been used as the measure for withholding certification for payment has been so withheld from certifi-

*Proviso.*  
Payments under State laws for any period prior to July 1, 1939.

Determination of "preliminary amount" for each State.

Determination of "liquidating amount."

Withholdings from certification until "preliminary amount" equaled, etc.  
49 Stat. 628.  
42 U. S. C., Supp. III, § 502.

*Proviso.*  
If State authorizes transfer, certification not to be withheld.

Withholdings from certification until "liquidating amount" equaled, etc.

*Proviso.*  
If State authorizes transfer, certification not to be withheld.

Withholdings from certification to begin on inability of State to meet condition.

Provisions not deemed breaches of designated conditions.

49 Stat. 626, 640.  
42 U. S. C., Supp. III, §§ 503, 1103.

Payments to railroad unemployment insurance account.

49 Stat. 626.  
42 U. S. C., Supp. III, § 501.

49 Stat. 627.

Withholding of grants to noncooperating States.

District of Columbia Unemployment Compensation Act.  
"Employment," definition extended.  
49 Stat. 946.

cation pursuant to this paragraph: *Provided, however,* That if a State shall, prior to whichever is the later of (i) thirty days after the close of the first regular session of its legislature which begins after the approval of this Act, and (ii) January 1, 1940, authorize and direct the Secretary of the Treasury to transfer from its account in the unemployment trust fund to the railroad unemployment compensation account in the unemployment trust fund an amount equal to its "liquidating amount", no amount shall be withheld from certification for payment to such State pursuant to this paragraph.

The withholdings from certification directed in each of the foregoing paragraphs of this subsection shall begin with respect to each State when the Social Security Board finds that such State is unable to avail itself of the condition set forth in the proviso contained in such paragraph.

(e) The transfers described in the provisos contained in the several paragraphs of subsection (d) of this section shall not be deemed to constitute a breach of the conditions set forth in sections 303 (a) (5) and 903 (a) (4) of the Social Security Act; nor shall the withdrawal by a State from its account in the unemployment trust fund of amounts, but not to exceed the total amount the Social Security Board shall have withheld from certification with respect to such State pursuant to subsection (d) of this section, be deemed to constitute a breach of the conditions set forth in sections 303 (a) (5) and 903 (a) (4) of the Social Security Act, provided the moneys so withdrawn are expended solely for expenses which the Social Security Board determines to be necessary for the proper administration of such State's unemployment compensation law.

(f) The Social Security Board is authorized and directed to certify to the Secretary of the Treasury for payment, and the Secretary shall pay, into the railroad unemployment insurance account, such amounts as the Social Security Board withholds from certification pursuant to subsection (d) of this section and the appropriations authorized in section 301 of the Social Security Act shall be available for payments authorized by this subsection. The Secretary shall transfer from the account of a State in the unemployment trust fund to the railroad unemployment insurance account in the unemployment trust fund such amounts as the State authorizes and directs him so to transfer pursuant to subsection (d) of this section.

(g) Section 303 of the Social Security Act is hereby amended by adding thereto the following additional subsection:

"(c) The Board shall make no certification for payment to any State if it finds, after reasonable notice and opportunity for hearing to the State agency charged with the administration of the State law—

"(1) That such State does not make its records available to the Railroad Retirement Board, and furnish to the Railroad Retirement Board at the expense of the Railroad Retirement Board such copies thereof as the Railroad Retirement Board deems necessary for its purposes; or

"(2) That such State is failing to afford reasonable cooperation with every agency of the United States charged with the administration of any employment insurance law."

#### DISTRICT OF COLUMBIA UNEMPLOYMENT COMPENSATION ACT

SEC. 14. (a) Effective July 1, 1939, section 1 (b) of the District of Columbia Unemployment Insurance<sup>1</sup> Act is amended by substituting a semicolon for the period at the end thereof and by adding: "(8) service performed in the employ of an employer as defined in the

<sup>1</sup> So in original.

Railroad Unemployment Insurance Act and service performed as an employee representative as defined in said Act." This amendment shall not be construed to affect the payment of unemployment benefits at any time with respect to any period prior to July 1, 1939, based upon employment performed prior to July 1, 1939.

(b) The Secretary of the Treasury is authorized and directed to transfer from the account of the District of Columbia in the unemployment trust fund to the railroad unemployment insurance account in the unemployment trust fund, an amount equal to the "preliminary amount" and an amount equal to the "liquidating amount", whenever such amounts, respectively, have been determined, with respect to the District of Columbia, pursuant to section 13 of this Act.

Transfer of designated amounts in accounts of unemployment trust fund.

*Ante*, p. 1110.

#### TRANSITIONAL PROVISIONS

SEC. 15. (a) Notwithstanding the provisions of section 1 (n) of this Act, until July 1, 1940, the term "benefit year" as defined in section 1 (n) of this Act means, with respect to any individual, the twelve-month period which begins with either the first day with respect to which benefits are first payable to him under this Act or the first day after July 1, 1938, but before July 1, 1939, with respect to which unemployment benefits are received by him under an unemployment compensation law of any State, whichever is the earlier.

Transitional provisions.

"Benefit year," period qualification.

*Ante*, p. 1096.

(b) For the purposes of section 2 (c) of this Act, all unemployment benefits paid to an employee pursuant to an unemployment compensation law of any State, with respect to any period prior to July 1, 1939, shall be considered as though they were benefits paid under this Act.

Certain benefits paid under State law considered as though paid under this Act.

*Ante*, p. 1097.

(c) Section 3 (b) of this Act shall not be applicable to an otherwise qualified employee with respect to whom there is, pursuant to subsection (a) of this section, current a benefit year beginning before July 1, 1939.

Qualified employee to whom there is current a benefit year beginning prior to July 1, 1939.

*Ante*, p. 1097.

(d) Any employee for whom there is, pursuant to subsection (a) of this section, current a benefit year beginning before July 1, 1939, and who, solely by reason of the enactment of this Act, becomes ineligible to continue to receive benefits under the unemployment compensation law of any State with respect to unemployment occurring after July 1, 1939, shall, for the purposes of section 3 (a) of this Act, be deemed to have earned compensation with respect to employment in his base year of not less than \$150: *Provided*, That, notwithstanding the provisions of section 2 (c) of this Act, the maximum benefits payable to such employee for unemployment within such benefit year shall not exceed the maximum amount to which he would otherwise have been entitled under the unemployment compensation law of such State.

Employee ineligible, solely by this Act, for State benefits deemed to have sufficient earnings to qualify.

*Ante*, p. 1097.

*Proviso.*  
Maximum benefits.

*Ante*, p. 1097.

#### SEPARABILITY

SEC. 16. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the application of such provision to other persons or circumstances, and the remainder of this Act, shall not be affected thereby.

Separability provision.

#### SHORT TITLE

SEC. 17. This Act may be cited as the "Railroad Unemployment Insurance Act".

Short title.

Approved, June 25, 1938.



## [CHAPTER 681]

## AN ACT

June 25, 1938  
[H. R. 10851]  
[Public, No. 723]

Making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1938, and June 30, 1939, and for other purposes.

Second Deficiency  
Appropriation Act,  
fiscal year 1938.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1938, and for prior fiscal years, to provide supplemental appropriations for the fiscal years ending June 30, 1938, and June 30, 1939, and for other purposes, namely:

General appropri-  
ations.

## TITLE I—GENERAL APPROPRIATIONS

Legislative.

## LEGISLATIVE

Senate.

## SENATE

John Nance Garner,  
Vice President; por-  
trait.

For the procurement of a portrait of Honorable John Nance Garner, Vice President of the United States, \$2,500, to be disbursed by the Secretary of the Senate.

Robert C. Brooks,  
payment for extra  
services.

Payment to Robert C. Brooks, clerk in office of Official Reporters of Debates, for extra services rendered in connection with journal work for Congressional Record during third session of Seventy-fifth Congress, fiscal year 1938, \$500.

Rest-room attend-  
ant.

For attendant authorized by S. Res. 252 adopted May 13, 1938, fiscal year 1939, \$1,500.

Inquiries and inves-  
tigations.

For expenses of inquiries and investigations ordered by the Senate, including compensation to stenographers of committees, at such rate as may be fixed by the Committee to Audit and Control the Contingent Expenses of the Senate, but not exceeding 25 cents per hundred words, fiscal year 1938, \$70,000: *Provided*, That no part of this appropriation shall be expended for per diem and subsistence expenses except in accordance with the provisions of the Subsistence Expense Act of 1926, approved June 3, 1926, as amended.

*Proviso.*  
Per diem and sub-  
sistence limitation.  
44 Stat. 688.  
5 U. S. C. §§ 821-833.

Reappropriation.

The unobligated balance of the appropriation for expenses of inquiries and investigations ordered by the Senate, contingent fund of the Senate, for the fiscal year 1938, is reappropriated and made available for the fiscal year 1939.

50 Stat. 173.

Miscellaneous  
items.  
Designated offices  
abolished.  
*Ante*, pp. 382, 383.

For miscellaneous items, exclusive of labor, fiscal year 1938, \$40,000.

Effective July 1, 1938, there shall be abolished (1) the office of the assistant clerk of the Committee on Foreign Relations whose compensation is at the rate of \$2,880 per annum, and (2) the office of one of the messengers (under the jurisdiction of the Sergeant at Arms and Doorkeeper) whose compensation is at the rate of \$1,740 per annum.

Miscellaneous  
items.  
Unobligated bal-  
ance reappropriated.  
50 Stat. 173.

The unobligated balance of the appropriation for miscellaneous items, exclusive of labor, contingent fund of the Senate, for the fiscal year 1938, is reappropriated and made available for the fiscal year 1939.

Folding speeches  
and pamphlets.

For folding speeches and pamphlets, at a rate not exceeding \$1 per thousand, fiscal year 1938, \$3,000.

House of Represent-  
atives.

## HOUSE OF REPRESENTATIVES

Charles J. Colden.  
Pay to widow.

To pay the widow of Charles J. Colden, late a Representative from the State of California, \$10,000 to be disbursed by the Sergeant at Arms of the House of Representatives.

Office of the Doorkeeper: For exchange, maintenance, and repair of folding room motortruck, fiscal year 1938, \$150, and in addition not to exceed \$450 of the amount available for maintenance and repair of folding room motortruck, contained in the Legislative Branch Appropriation Act, 1938, is hereby made available toward the purchase and exchange of such truck; such amounts to remain available during the fiscal year 1939.

Office of the Doorkeeper.

50 Stat. 176.

Contingent expenses: For an additional amount for expenses of special and select committees authorized by the House, fiscal year 1939, \$70,000.

Contingent expenses.

Contested-election expenses: For payment to Melvin J. Maas, contestee, for expenses incurred in the contested-election case of Williams versus Maas, as audited and recommended by the Committee on Elections Numbered 1, \$1,250, to be disbursed by the Clerk of the House.

Contested-election expenses.  
Melvin J. Maas.

For payment to the following contestant and contestee for expenses incurred in the contested-election case of Roy versus Jenks, as audited and recommended by the Committee on Elections Numbered 3:

To Alphonse Roy, \$2,000;

Alphonse Roy.

To Arthur B. Jenks, \$2,000;

Arthur B. Jenks.

In all, \$4,000, to be disbursed by the Clerk of the House.

#### JOINT COMMITTEE ON GOVERNMENT ORGANIZATION

The unexpended balance on June 30, 1938, of the appropriation for the Joint Committee on Government Organization contained in the First Deficiency Appropriation Act, fiscal year 1937, approved February 9, 1937 (50 Stat. 9), is hereby continued available during the fiscal year 1939.

Joint Committee on Government Organization.  
Funds available.  
50 Stat. 9.

#### OFFICE OF ARCHITECT OF THE CAPITOL

Senate Office Building: For painting, \$20,000; for carpet and rugs, \$5,000; in all, for fiscal year 1939, \$25,000.

Office of Architect of the Capitol.

Senate Office Building, painting, etc.

House Office Buildings: For an additional amount for maintenance, including the same objects specified under this head in the Legislative Branch Appropriation Act, 1939, \$600.

House Office Buildings, maintenance.  
*Ante*, p. 391.

#### LIBRARY OF CONGRESS

Printing and binding: For an additional amount for the printing of catalog cards, fiscal year 1938, \$17,000.

Library of Congress.

Printing and binding.  
50 Stat. 183.

#### GOVERNMENT PRINTING OFFICE

Public printing and binding: For an additional amount for printing and binding, Government Printing Office, fiscal year 1938, including the same objects specified under this head in the Legislative Branch Appropriation Act, 1938, \$408,000.

Government Printing Office.

Public printing and binding.

50 Stat. 184.

For printing and binding an edition of two thousand two hundred and fifty copies of the Code of Federal Regulations, fiscal year 1939, as authorized by the Federal Register Act, as amended, \$450,000.

Code of Federal Regulations.  
50 Stat. 304.  
44 U. S. C., Supp. III, § 311.

For payment to William Madden, Preston L. George, and William S. Houston, messengers on night duty during the third session of the Seventy-fifth Congress, \$900 each; in all \$2,700, to be paid from the appropriation for printing and binding for Congress for the fiscal year 1939.

Designated messengers on night duty, payment.

#### INDEPENDENT ESTABLISHMENTS

##### CENSUS OF PARTIAL EMPLOYMENT, UNEMPLOYMENT, AND OCCUPATIONS

Salaries and expenses: Not to exceed \$50,000 of the unobligated balance on June 30, 1938, of the allocation of \$2,500,000 for the census

Independent Establishments.

Unemployment, etc., census.

Salaries and expenses.

50 Stat. 883.

50 Stat. 352.

of partial employment, unemployment, and occupations authorized by the Act of August 30, 1937, made by the President out of funds appropriated by the Emergency Relief Appropriation Act of 1937, is hereby continued available until October 31, 1938, for the same purposes and objects of expenditure specified in Executive Order Numbered 7711.

Civil Service Commission.

## CIVIL SERVICE COMMISSION

Salaries and expenses.

Salaries and expenses: For an additional amount for salaries and expenses, Civil Service Commission, fiscal year 1939, including the same objects specified under this head in the Independent Offices Appropriation Act, 1939, \$200,000.

*Ante*, p. 412.

Printing and binding.

Printing and binding: For an additional amount for printing and binding for the Civil Service Commission, fiscal year 1939, including the same objects specified under this head in the Independent Offices Appropriation Act, 1939, \$8,000.

*Ante*, p. 413.

Commission for the Commemoration of the Battles of Chickamauga, etc.  
Expenses.

## COMMISSION FOR THE COMMEMORATION OF THE BATTLES OF CHICKAMAUGA, LOOKOUT MOUNTAIN, CHATTANOOGA, AND MISSIONARY RIDGE

For carrying out the provisions of the joint resolution entitled "Joint resolution to authorize an appropriation to aid in defraying the expenses of the observance of the seventy-fifth anniversary of the Battles of Chickamauga, Georgia, Lookout Mountain, Tennessee, and Missionary Ridge, Tennessee; and commemorate the one-hundredth anniversary of the removal from Tennessee of the Cherokee Indians, at Chattanooga, Tennessee, and at Chickamauga, Georgia, from September 18 to 24, 1938, inclusive; and for other purposes", approved June 10, 1938, fiscal years 1938 and 1939, \$35,000.

*Ante*, p. 636.

Commodity Credit Corporation.

## COMMODITY CREDIT CORPORATION

Administrative expenses.

Administrative expenses: The limitation of \$520,288 for administrative expenses of the Commodity Credit Corporation for the fiscal year 1939 contained in the Independent Offices Appropriation Act, 1939, is hereby increased to \$700,000.

*Ante*, p. 430.

Federal Power Commission.

## FEDERAL POWER COMMISSION

Salaries and expenses.

*Ante*, p. 416.

Salaries and expenses: For an additional amount for salaries and expenses of the Federal Power Commission, fiscal year 1939, including the same objects specified under this head in the Independent Offices Appropriation Act, 1939, \$250,000: *Provided*, That the limitation of \$855,000 as the amount that may be expended for the personal services in the District of Columbia from the appropriation under this head in the Independent Offices Appropriation Act, 1939, is hereby increased to \$875,000.

*Proviso.*  
Amount for personal services, D. C., increased.

For an additional amount for salaries and expenses of the Federal Power Commission, fiscal year 1939, including the same objects specified under this head in the Independent Offices Appropriation Act, 1939, \$125,000: *Provided*, That the limitation under this head in said Act upon the amount that may be expended for personal services in the District of Columbia is hereby increased to \$1,140,000: *Provided further*, That such sum shall not become available unless and until that section of H. R. 10618, Seventy-fifth Congress, a bill "Authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes", which authorizes the appropriation of funds to the Federal Power Commission is enacted into law.

*Provisos.*  
Amount for personal services, D. C., increased.

Conditional availability.

*Post*, p. 1226.

For an additional amount for salaries and expenses of the Federal Power Commission, fiscal year 1939, including the same objects speci-

fied under this head in the Independent Offices Appropriation Act, 1939, \$250,000: *Provided*, That the limitation under this head in said Act upon the amount that may be expended for personal services in the District of Columbia is hereby increased to \$1,020,000: *Provided further*, That such sum shall not become available unless and until H. R. 6586, Seventy-fifth Congress, a bill to regulate the transportation and sale of natural gas in interstate commerce, and for other purposes, is enacted into law.

## MARITIME LABOR BOARD

Salaries and expenses: For three Board members and for all other authorized and necessary expenditures of the Maritime Labor Board in performing the duties imposed by law, including contract stenographic reporting services; supplies and equipment; rental of equipment; travel expenses, in accordance with the Standardized Government Travel Regulations and the Act of June 3, 1926, as amended (5 U. S. C. 821-833); and not to exceed \$200 for newspapers and periodicals; fiscal year 1939, \$75,000, to be immediately available: *Provided*, That the Board may procure supplies and services without regard to section 3709 of the Revised Statutes (41 U. S. C. 5) when the aggregate amount involved does not exceed \$100: *Provided further*, That such sum shall not become available unless and until the Merchant Marine Act, 1936, is amended to provide for the establishment of the aforesaid Maritime Labor Board.

*Provisos.*  
Amount for personal services, D. C., increased.

Conditional availability.  
*Ante*, p. 821.

Maritime Labor Board.

Salaries and expenses.

44 Stat. 688.  
5 U. S. C. §§ 821-833.

*Provisos.*  
Supplies and services.  
R. S. § 3709.  
41 U. S. C. § 5.  
Conditional availability.  
*Ante*, p. 967.

## NATIONAL CAPITAL PARK AND PLANNING COMMISSION

For an additional amount for each and every purpose requisite for and incident to the work of the National Capital Park and Planning Commission necessary toward carrying into effect the provisions of the Act entitled "An Act for the acquisition, establishment, and development of the George Washington Memorial Parkway along the Potomac from Mount Vernon and Fort Washington to the Great Falls, and to provide for the acquisition of lands in the District of Columbia and the States of Maryland and Virginia requisite to the comprehensive park, parkway, and playground system of the National Capital", approved May 29, 1930; fiscal year 1939, \$300,000, to be expended in carrying out the provisions of section 1 (b) of such Act.

National Capital Park and Planning Commission.  
Extension of Rock Creek Park, etc.

46 Stat. 484.

## NATIONAL MEDIATION BOARD

National Railroad Adjustment Board: Not to exceed \$12,000 of the amount made available only for services of referees under the appropriation for salaries and expenses, National Railroad Adjustment Board, National Mediation Board, fiscal year 1938, may be transferred to the appropriation for printing and binding, National Railroad Adjustment Board, National Mediation Board, fiscal year 1938.

National Mediation Board.

National Railroad Adjustment Board, printing and binding.

50 Stat. 340.

## NORTHWEST TERRITORY CELEBRATION COMMISSION

For an additional amount for the expenses of participation of the Government of the United States in the Northwest Territory Celebration Commission, in accordance with Public Resolution Numbered 101, approved May 31, 1938, fiscal year 1939, \$15,000, to be immediately available and to remain available until April 15, 1939.

Northwest Territory Celebration Commission.  
Participation expenses.

*Ante*, p. 595.

## PERRY'S VICTORY CELEBRATION

To carry out the provisions of the joint resolution (H. J. Res. 620) "Joint Resolution for the observance of the celebration of the one hundred and twenty-fifth anniversary of the Battle of Lake Erie", fiscal year 1939, \$15,000, to be immediately available.

Perry's Victory Celebration.  
Expenses.

*Ante*, p. 775.

Railroad Retirement Board.  
Salaries and expenses.

## RAILROAD RETIREMENT BOARD

Salaries and expenses: For an additional amount for three Board members and for all other authorized and necessary expenditures of the Railroad Retirement Board in performing the duties imposed by law or in pursuance of law, fiscal year 1939, including the same objects specified under this head in the Independent Offices Appropriation Act, fiscal year 1939, \$395,000.

*Ante*, p. 423.  
Printing and binding.  
*Ante*, p. 424.

Printing and binding: For an additional amount for printing and binding for the Railroad Retirement Board, fiscal year 1939, \$20,000.

Securities and Exchange Commission.

## SECURITIES AND EXCHANGE COMMISSION

Salaries and expenses.

Salaries and expenses: For an additional amount for five Commissioners, and other personal services in the District of Columbia, and for all other authorized expenditures of the Securities and Exchange Commission in performing the duties imposed by law or in pursuance of law, including employment of experts when necessary, fiscal year 1939, including the same objects specified under this head in the Independent Offices Appropriations Act, 1939, \$596,000.

*Ante*, p. 424.  
Printing and binding.  
*Ante*, p. 425.

Printing and binding: For an additional amount for printing and binding for the Securities and Exchange Commission, fiscal year 1939, \$4,000.

Smithsonian Institution.

## SMITHSONIAN INSTITUTION

Smithsonian Gallery of Art Commission.

Smithsonian Gallery of Art Commission: To carry out the provisions of section 2 of Public Resolution Numbered 95, entitled "Joint resolution to set apart public ground for the Smithsonian Gallery of Art, and for other purposes", approved May 17, 1938, fiscal year 1939, \$40,000.

*Ante*, p. 399.

Temporary National Economic Committee.  
Expenses.

## TEMPORARY NATIONAL ECONOMIC COMMITTEE

For each and every purpose requisite and incident to carrying out the provisions of the joint resolution of the Seventy-fifth Congress entitled "Joint resolution to create a temporary National Economic Committee", fiscal year 1939, to remain available until the expiration of the Seventy-sixth Congress, including rent and personal services in the District of Columbia and elsewhere; contract stenographic reporting services; books of reference; traveling expenses, and all other necessary expenses; \$500,000, of which amount not to exceed \$100,000 shall be available for expenditure by the Temporary National Economic Committee, and not to exceed \$400,000 shall be available for allocation by the President to the departments and agencies represented on the Committee to enable them to carry out their functions under the Joint Resolution: *Provided*, That section 3709 of the Revised Statutes (41 U. S. C. 5) shall not be construed to apply to any purchase or service rendered hereunder when the aggregate amount involved does not exceed the sum of \$100: *Provided further*, That this appropriation shall not become available unless and until the aforesaid resolution is enacted into law.

*Ante*, p. 705.

Allocations to other agencies.

*Provisos*.  
Minor purchases, etc.  
R. S. § 3709.  
41 U. S. C. § 5.  
Conditional availability.

Thomas Jefferson Memorial Commission.  
Expenses.

## THOMAS JEFFERSON MEMORIAL COMMISSION

For the purposes authorized under the provisions of the Act entitled "An Act to authorize the execution of plans for a permanent memorial to Thomas Jefferson", approved June 3, 1936 (49 Stat. 1397), including commencement of construction of such memorial, \$500,000, to remain available until expended.

49 Stat. 1397.

## UNITED STATES MARITIME COMMISSION

The limitation of \$75,000 for the employment on a contract or fee basis of persons, firms, and corporations, including legal services, by the United States Maritime Commission, contained in the Third Deficiency Appropriation Act, fiscal year 1937, is hereby increased to \$125,000: *Provided*, That after June 30, 1939, the United States Maritime Commission shall not incur any obligations for administrative expenses except pursuant to an annual appropriation specifically therefor or to authority to use appropriations or other funds otherwise available therefor.

Federal Ship Mortgage Insurance Fund: To establish a revolving fund authorized by and for the purpose of carrying out the provisions of title XI of the Merchant Marine Act, 1936, as amended, fiscal year 1939, \$500,000, to be immediately available: *Provided*, That such sum shall not become available unless and until the aforesaid title is enacted into law.

United States Maritime Commission.

Personal services; limitation on amount increased.

50 Stat. 759.

*Proviso.*  
Restriction on incurring obligations.

Federal Ship Mortgage Insurance Fund, revolving fund.

*Ante*, p. 969.

*Proviso.*  
Conditional availability.

## WATER CONSERVATION AND UTILITY PROJECTS

For construction, in addition to labor and materials to be supplied by the Works Progress Administration, of water conservation and utilization projects, including acquisition of water rights, rights of way, and other interests in land, in the Great Plains and arid and semiarid areas of the United States, fiscal year 1939, \$5,000,000 of the funds made available by section 1 (1) of the Emergency Relief Appropriation Act of 1938, to be allocated by the President, in such amounts as he deems necessary, to such Federal Departments, establishments, and other agencies as he may designate, and to be reimbursed to the United States by the water users on such projects in not to exceed forty annual installments: *Provided*, That expenditures from Works Progress Administration funds shall be subject to such provisions with respect to reimbursability as the President may determine: *Provided further*, That not to exceed \$50,000 may be expended on any one project.

Water conservation and utility projects.

*Ante*, p. 809.

*Provises.*  
Reimbursement of expenditures.

Limitation on amount for any one project.

## DISTRICT OF COLUMBIA

## EXECUTIVE OFFICE

Board of Tax Appeals, salaries: For salaries of the Board of Tax Appeals for the District of Columbia, including contract stenographic reporting services without regard to section 3709 of the Revised Statutes, in accordance with title IX of the Act entitled "An Act to amend the District of Columbia Revenue Act of 1937, and for other purposes", approved May 16, 1938, fiscal year 1939, \$13,000.

Commission on Mental Health, District of Columbia: For compensation of members of the Commission on Mental Health of the District of Columbia, and other personal services, including payment of witness fees and mileage, \$10,000 and, in addition, there is hereby transferred to this appropriation \$2,300 from the appropriation "Metropolitan Police, Salaries, District of Columbia (Personal Services) 1939" and \$1,000 from the appropriation "Writs of Lunacy, District of Columbia, 1939", fiscal year 1939, to be immediately available.

Office of poundmaster: For an additional amount for personal services, maintenance and operation of motor vehicles, and other necessary expenses, fiscal year 1938, \$130: *Provided*, That the salary of the poundmaster shall be at the rate of \$2,000 per annum.

Assessor's office, salaries: For an additional amount for personal services, fiscal year 1939, \$50,000.

District of Columbia.

Executive Office.

Board of Tax Appeals, salaries.

R. S. § 3709.  
41 U. S. C. § 5.

*Ante*, p. 370.

Commission on Mental Health, salaries and expenses.

Sums transferred.

*Ante*, pp. 171, 176.

Office of poundmaster.

*Proviso.*  
Salary.

Assessor's office.

Auditor's office.

Auditor's office, salaries: For an additional amount for personal services without regard to civil-service requirements, fiscal year 1939, \$20,000.

Office of Superintendent of Weights, Measures, and Markets.  
Municipal fish market, repairs.  
50 Stat. 760.

#### OFFICE OF SUPERINTENDENT OF WEIGHTS, MEASURES, AND MARKETS

The appropriation of \$13,000 contained in the Third Deficiency Appropriation Act, fiscal year 1937, for an additional amount for the fiscal year 1938 for contingent expenses for the purpose of making emergency repairs to the municipal fish market, including relocation of toilet facilities, is continued available for the same purpose during the fiscal year 1939.

Municipal Architect's office.  
Purchase of land.

#### MUNICIPAL ARCHITECT'S OFFICE

For an additional amount for the purchase of land, being lots numbered 31 and 32, in square 175, adjacent to the District of Columbia repair shop, to afford additional shop facilities, housing for automobile trucks, and storage for tools and building materials for the District of Columbia repair shop, fiscal year 1937, \$37.14.

Zoning Commission.

#### ZONING COMMISSION

Salaries and expenses.

For salaries and expenses necessary for the administration of the Act entitled "An Act providing for the zoning of the District of Columbia and the regulation of the location, height, bulk, and uses of buildings and other structures and of the uses of land in the District of Columbia, and for other purposes", approved June <sup>1</sup>, 1938, fiscal year 1939, \$5,690.

*Ante*, p. 797.

#### CONTINGENT AND MISCELLANEOUS EXPENSES

Contingent and miscellaneous expenses.

Contingent expenses: For an additional amount for checks, books, lawbooks, books of reference, periodicals, newspapers, stationery; surveying instruments and implements; drawing materials; binding, rebinding, repairing, and preservation of records; ice; including the same objects and under the same limitations and conditions applicable to the appropriation for this purpose in the District of Columbia Appropriation Act, fiscal year 1939, \$3,575.

*Ante*, p. 160.

Postage.

Postage: For an additional amount for postage for strictly official mail matter, including the rental of postage-meter equipment, fiscal year 1939, \$2,500.

Judicial expenses.

Judicial expenses: For an additional amount for judicial expenses, including the same objects and under the same conditions and limitations applicable to the appropriation for this purpose in the District of Columbia Appropriation Act, fiscal year 1936, \$17.28.

49 Stat. 346.

General advertising.

General advertising: For an additional amount for general advertising, including the same objects and under the same conditions and limitations applicable to the appropriation for this purpose in the District of Columbia Appropriation Acts for the following fiscal years:

49 Stat. 346.

For 1936, \$10.08;

49 Stat. 1860.

For 1937, \$38.94.

Printing and binding.

Printing and binding: For an additional amount for printing and binding, under the same limitations and conditions applicable to the appropriation for this purpose in the District of Columbia Appropriation Acts for the following fiscal years:

49 Stat. 1859.

For 1937, \$299.85;

50 Stat. 364.

For 1938, \$3,500;

*Ante*, p. 161.  
Report of survey of Health Department.

For 1939, \$6,100 of which \$2,500 shall be available only for the printing of the report of a survey of the Health Department of the

<sup>1</sup> So in original.

District of Columbia made in 1937–1938 by the United States Public Health Service and collaborators.

Purchase of streetcar and bus fares: The limitation of \$9,900, under the heading "Contingent and Miscellaneous Expenses" in the District of Columbia Appropriation Act, fiscal year 1939, upon the amount which the Commissioners are authorized to expend for the purchase of streetcar and bus fares, is hereby increased to \$10,800.

Refund of erroneous collections: For an additional amount for refund of erroneous collections, including the same objects and under the same conditions and limitations applicable to the appropriation for this purpose in the District of Columbia Appropriation Act, fiscal year 1938, \$1,500.

Investigation of public relief, District of Columbia: For an additional amount for an investigation of public relief in the District of Columbia, to be expended for the same purposes and under the same conditions as provided for such investigation in the District of Columbia Appropriation Act for the fiscal year 1939, fiscal years 1938 and 1939, \$10,000: *Provided*, That the time fixed in such Act in which a report of such investigation shall be made is extended to December 1, 1938.

Survey of tax structure: For the employment of professional and clerical services and for necessary expenses in connection with a survey and study of the entire tax structure of the District of Columbia in accordance with the provisions of the Act entitled "An Act to amend the District of Columbia Revenue Act of 1937, and for other purposes", approved May 16, 1938, fiscal year 1939, \$10,000.

Study of District of Columbia government: The appropriation of \$5,000, contained in the District of Columbia Appropriation Act for the fiscal year 1939, for the use of the Senate and House Committees on the District of Columbia for a study of the surveys made of the government of such District may be expended without reference to the Classification Act of 1923, as amended, and the provisions of section 3709 of the Revised Statutes of the United States (41 U. S. C. 5).

#### POLICEMEN AND FIREMEN'S RELIEF

For an additional amount to pay the policemen and firemen's relief and other allowances as authorized by law, fiscal year 1938, \$5,000.

#### HEALTH DEPARTMENT

Salaries: For an additional amount for personal services, under the same limitations and conditions applicable to the appropriation for this purpose in the District of Columbia Appropriation Act, fiscal year 1939, \$2,300.

Contingent expenses, foods, and drugs: For an additional amount for contingent expenses, to provide an allowance for the fiscal year 1939 of \$312 for the furnishing for official use of a privately owned motor vehicle by one inspector of milk-processing and distribution plants, fiscal year 1939, \$312.

For rent of second floor of premises 901 Eighth Street Northwest, occupied by the Permit Bureau of the Health Department, for the period September 1, 1937, to June 30, 1938, fiscal year 1938, \$1,250.

#### JUVENILE COURT

Salaries: For an additional amount for personal services, fiscal year 1939, \$33,500.

For an additional amount for expenses, including the same objects specified under this head in the District of Columbia Appropriation Act, fiscal year 1939, \$2,400.

Purchase of streetcar and bus fares.  
*Ante*, p. 163.

Refund of erroneous collections.

50 Stat. 365.

Investigation of public relief.

*Ante*, p. 161.

*Proviso*.  
Time extended for making report.

Survey of tax structure.

*Ante*, p. 370.

Study of District of Columbia government.

*Ante*, p. 161.

5 U. S. C. §§ 661–674; Supp. III, §§ 673, 673c.

R. S. § 3709.  
41 U. S. C. § 5.

Policemen and firemen's relief.  
50 Stat. 374.

Health Department.

Salaries.

*Ante*, p. 173.

Contingent expenses, foods, and drugs.  
*Ante*, p. 174.

Permit Bureau, rent.

Juvenile Court.

Salaries.  
*Ante*, p. 175.

Expenses.  
*Ante*, p. 175.



## Police Court.

## POLICE COURT

Contingent ex-  
penses.

50 Stat. 377.

Contingent expenses: The limitation of \$750 for telephone and telegraph service for the police court contained in the District of Columbia Appropriation Act for the fiscal year 1938 is hereby increased to \$900.

## Municipal Court.

## MUNICIPAL COURT

Salaries.

*Ante*, p. 176.

Jurors.

50 Stat. 378.

Contingent ex-  
penses.

50 Stat. 378.

Salaries: For an additional amount for personal services, including the same objects and under the same limitations and conditions applicable to the appropriation for this purpose in the District of Columbia Appropriation Act, fiscal year 1939, \$8,300.

Jurors: For an additional amount for compensation of jurors under the same conditions and limitations applicable to the appropriation for this purpose in the District of Columbia Appropriation Act, fiscal year 1938, \$300.

Contingent expenses: For an additional amount for contingent expenses, including the same objects specified under this head in the District of Columbia Appropriation Act, fiscal year 1938, \$775.

District Court of  
the United States.Fees of jurors and  
witnesses.

50 Stat. 378.

## DISTRICT COURT OF THE UNITED STATES

Fees of jurors and witnesses: For an additional amount for fees of jurors and witnesses, District Court of the United States, District of Columbia, including the same objects specified under this head in the District of Columbia Appropriation Act, fiscal year 1938, \$25,800.

## Court of Appeals.

## COURT OF APPEALS

Reports.

For eleven copies of volume 66 of the Reports of the United States Court of Appeals of the District of Columbia, authorized to be furnished under title 18, section 31, page 161, of the Code of Law of the District of Columbia, at \$6.50 each, fiscal year 1938, \$71.50.

Miscellaneous,  
Courts.

## MISCELLANEOUS, COURTS

Support of convicts.

50 Stat. 379.

Writs of lunacy.

49 Stat. 1876.

Miscellaneous court  
expenses.

49 Stat. 1876.

Support of convicts: For an additional amount for support, maintenance, and transportation of convicts transferred from the District of Columbia, including the same objects specified under this head in the District of Columbia Appropriation Act, fiscal year 1938, \$26,860.

Writs of lunacy: For an additional amount for writs of lunacy, including the same objects specified under this head in the District of Columbia Appropriation Act, fiscal year 1937, \$131.25.

Miscellaneous court expenses: For an additional amount for such miscellaneous expenses as may be authorized by the Attorney General for the Supreme Court of the District of Columbia and its officers, including the same objects specified under this head in the District of Columbia Appropriation Act, fiscal year 1937, \$1,095.29.

Miscellaneous court expenses: For an additional amount for such miscellaneous expenses as may be authorized by the Attorney General for the District Court of the United States for the District of Columbia and its officers, including the same objects specified under this head in the District of Columbia Appropriation Act, fiscal year 1938, \$25,650.

50 Stat. 379.

Public Welfare.

## PUBLIC WELFARE

Receiving home for  
children.

Receiving home for children: For the maintenance, under the jurisdiction of the Board of Public Welfare, of a suitable place in a building entirely separate and apart from the house of detention for

the reception and detention of children under seventeen years of age arrested by the police on charge of offense against any laws in force in the District of Columbia, or committed to the guardianship of the Board, or held as witnesses, or held temporarily, or pending hearing, or otherwise, including transportation, food, clothing, medicine, and medicinal supplies, rental, repair and upkeep of buildings, fuel, gas, electricity, ice, supplies and equipment, and other necessary expenses including not to exceed \$9,560 for personal services, fiscal year 1939 (January 1 to June 30, 1939, both dates inclusive), \$19,000.

**National Training School for Girls:** For personal services; groceries, provisions, light, fuel, clothing, shoes; forage and farm supplies; medicine and medical service (including not to exceed \$2,000 for medical care and not to exceed \$600 for dental care); transportation; maintenance of non-passenger-carrying vehicles; equipment, fixtures, books, magazines, and other educational supplies; recreational equipment and supplies including rental of motion-picture films; stationery; postage; repairs; and other necessary items including expenses incident to securing suitable homes for paroled or discharged girls, fiscal year 1939, \$50,000, of which sum not to exceed \$33,000 may be expended for personal services including not to exceed \$1,500 for additional services and labor on a per diem basis.

**Workhouse and Reformatory:** The appropriation of \$29,000 contained in the District of Columbia Appropriation Act for the fiscal year 1938 for replacing defective electric wiring and equipment of distribution system with underground construction at the District of Columbia penal institutions at Lorton and Occoquan, and moving electric generators from powerhouse at Occoquan to powerhouse at Lorton, is hereby continued available during the fiscal year 1939.

**Industrial Home School for Colored Children:** For an additional amount for maintenance, including the same objects and under the same conditions and limitations applicable to the appropriation for this purpose in the District of Columbia Appropriation Act, fiscal year 1938, \$6,000.

**District of Columbia sponsor's contributions to Works Progress Administration non-construction projects:** For amount required by the District of Columbia as sponsor's contributions toward Works Progress Administration non-construction projects for free lunches for necessitous school children, sewing, household service, housekeeping aides, adult education, nursery schools, and recreation, including the purchase of food, equipment, materials, supplies, and other necessary expenses, fiscal year 1939, \$189,500.

**Transportation of nonresidents:** For transportation of indigent nonresident persons to their legal residence or to the home of a relative or relatives, including maintenance pending transportation, fiscal year 1939, \$20,000, of which amount not to exceed \$5,660 shall be available for personal services.

**Saint Elizabeths Hospital:** For an additional amount for support of indigent insane of the District of Columbia in Saint Elizabeths Hospital, as provided by law, fiscal year 1938, \$115,000.

**Deportation of nonresident insane:** The appropriation for deportation of nonresident insane persons contained in the District of Columbia Appropriation Act, fiscal year 1939, is hereby amended by striking therefrom the words "to change the proceedings for admission to the Government Hospital for the Insane in certain cases and for other purposes," approved January 31, 1899", and inserting in lieu thereof the words "to provide for insanity proceedings in the District of Columbia," approved June 8, 1938".

*Ante*, p. 177.

National Training  
School for Girls.

Workhouse and Re-  
formatory.

50 Stat. 381.

Industrial Home  
School for Colored  
Children.

50 Stat. 382.

Sponsor's contri-  
butions to Works  
Progress Administra-  
tion non-construction  
projects.

Transportation of  
nonresidents.

Saint Elizabeths  
Hospital.

50 Stat. 384.

Deportation of non-  
resident insane;  
amendment to appro-  
priation item.

*Ante*, p. 181.

## REFUND OF ASSESSMENTS

Refund of assessments.

46 Stat. 1199.  
Unexpended balance reappropriated.  
49 Stat. 1616.

For payment of refunds of assessments for paving streets, avenues, and roads, and laying curbs, as authorized by the provisions of section 11 of the Act entitled "An Act to provide for special assessments for the paving of roadways and the laying of curbs and gutters", approved February 20, 1931 (46 Stat. 1199), \$1,333.72, fiscal year 1938, together with the unexpended balance of the appropriation of \$26,922.87 for the same purpose contained in the First Deficiency Appropriation Act, fiscal year 1936, the total amount herein appropriated, to continue available until June 30, 1939.

## SETTLEMENT OF CLAIMS

Settlement of claims.

45 Stat. 1160; 46 Stat. 500.

For the payment of claims approved by the Commissioners under and in accordance with the provisions of the Act entitled "An Act authorizing the Commissioners of the District of Columbia to settle claims and suits against the District of Columbia", approved February 11, 1929, as amended by the Act approved June 5, 1930, and certified to the Seventy-fifth Congress in House Documents Numbered 601 and 658, \$15,350.

## JUDGMENTS

Judgments.

For the payment of final judgments, including costs, rendered against the District of Columbia, as set forth in Senate Document Numbered 198, and House Document Numbered 611, Seventy-fifth Congress, \$10,893.17, together with the further sum to pay the interest at not exceeding 4 per centum per annum on such judgments, as provided by law, from the date the same became due until the date of payment.

## AUDITED CLAIMS

Audited claims.

18 Stat. 110.  
31 U. S. C. § 713.

For the payment of the following claims, certified to be due by the accounting officers of the District of Columbia, under appropriations the balances of which have been exhausted or carried to the surplus fund under the provisions of section 5 of the Act of June 20, 1874 (31 U. S. C. 713), being for the service of the fiscal year 1935 and prior fiscal years:

For policemen and firemen's relief fund, District of Columbia, 1933, \$75;

For contingent and miscellaneous expenses, District of Columbia, 1934, contingent expenses, \$14.01;

For fees of jurors and witnesses, Supreme Court, District of Columbia, 1934, \$1.50;

For Home for Aged and Infirm, District of Columbia, 1934, maintenance, \$7.20;

For contingent and miscellaneous expenses, District of Columbia, 1935, contingent expenses, \$3.40;

For refunding taxes, District of Columbia, 1935, \$35.53;

In all, audited claims, \$136.64.

## HIGHWAY FUND, GASOLINE TAX AND MOTOR VEHICLE FEES

Highway fund, gasoline tax and motor vehicle fees.  
Appropriation of sums from special fund.

43 Stat. 106.

50 Stat. 673.

Annual inspection of motor vehicles.

The following sums are appropriated wholly out of the special fund created by the Act entitled "An Act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes", approved April 23, 1924, and the Act entitled "An Act to provide additional revenue for the District of Columbia, and for other purposes", approved August 17, 1937, for the following purposes:

Department of vehicles and traffic, annual inspection of motor vehicles: For carrying out the provisions of the Act entitled "An Act

to provide for the annual inspection of all motor vehicles in the District of Columbia", approved February 18, 1938, including not to exceed \$30,720 for personal services without regard to civil-service requirements, and not to exceed \$103,000 for the construction of two buildings, including grading and paving of roadways, for use as inspection stations on land owned by the District of Columbia, one to be located in square 355 and the other on parcel 141/13, and including purchase of necessary inspection equipment, and printing and binding, \$154,720, to remain available until June 30, 1939.

Extension of streets and avenues: For an additional amount to carry out the provisions of existing law which authorize the Commissioners of the District of Columbia to open, extend, straighten, or widen any street, avenue, road, or highway, except Fourteenth Street extension beyond the southern boundary of Walter Reed Hospital Reservation, in accordance with the plan of the permanent system of highways for the District of Columbia, including the procurement of chains of title, fiscal year 1937, \$50,000: *Provided*, That this appropriation shall be available to carry out the provisions of existing law for the opening, extension, widening, or straightening of alleys and minor streets and for the establishment of building lines in the District of Columbia.

Refunding erroneous collections: To enable the Commissioners, in cases where motor-vehicle registration fees, motor-vehicle operators' permit fees, motor-vehicle title fees, motor-vehicle fuel taxes, importers' license fees, special assessments, or collections of any character have been erroneously covered into the Treasury to the credit of the special fund created by the Act entitled "An Act to provide for a tax on motor-vehicle fuels sold within the District of Columbia, and for other purposes", approved April 23, 1924, and the Act entitled "An Act to provide additional revenue for the District of Columbia, and for other purposes", approved August 17, 1937, to refund such erroneous payments, fiscal years 1938 and 1939, \$3,000: *Provided*, That this appropriation shall also be available for refunding such payments made within the last three fiscal years prior to the fiscal year for which this appropriation was made available: *Provided further*, That this appropriation shall not be available for refunds authorized by section 10 of the Act of April 23, 1924.

#### DIVISION OF EXPENSES

The foregoing sums for the District of Columbia, unless otherwise therein specifically provided, shall be paid out of the revenues of the District of Columbia and the Treasury of the United States in the manner prescribed by the District of Columbia Appropriation Acts for the respective fiscal years for which such sums are provided.

#### DEPARTMENT OF AGRICULTURE

##### OFFICE OF THE SECRETARY

Rent of buildings, Department of Agriculture: Not to exceed \$13,040 of such funds available to the Department of Agriculture for the fiscal year 1939, as the Secretary of Agriculture may determine, may be transferred to the appropriation for rent of buildings in the District of Columbia for such Department for such fiscal year.

Mediterranean Fruit Fly Board: For carrying into effect the Act entitled "An Act to provide for an investigation and report of losses resulting from the campaign for the eradication of the Mediterranean Fruit Fly by the Department of Agriculture", approved May 23, 1938, fiscal year 1939, \$10,000.

*Ante*, p. 78.

Extension of streets and avenues.

*Proviso.*  
Alley improvements, building lines, etc.

Refund of erroneous collections.

43 Stat. 106.

50 Stat. 673.

*Provisos.*  
Refunds, prior years.

Motor vehicle fuel used other than for motor vehicles.

Division of expenses.

Department of Agriculture.

Office of the Secretary.

Rent of buildings.

*Ante*, p. 712.

Mediterranean Fruit Fly Board.

*Ante*, p. 436.

## Forest Service.

## FOREST SERVICE

Reconstruction or  
repair of roads.

California.

For the reconstruction or repair of roads, except those under State maintenance, trails, bridges, telephone lines, public campgrounds, and other improvements on the national forests in the State of California damaged or destroyed by floods, fiscal year 1938, \$1,000,000, to remain available until September 30, 1938.

Bureau of Entomol-  
ogy and Plant Quar-  
antine.

Emergency out-  
breaks of insect pests  
and plant diseases.

## BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE

Control of incipient and emergency outbreaks of insect pests and plant diseases: For carrying out the purposes and provisions of and for expenditures authorized under Public Resolution Numbered 91, Seventy-fifth Congress, entitled "Joint resolution to amend the joint resolution entitled 'Joint resolution making funds available for the control of incipient or emergency outbreaks of insect pests or plant diseases, including grasshoppers, Mormon crickets, and chinch bugs', approved April 6, 1937", approved May 9, 1938, \$700,000, to remain available until June 30, 1939.

*Ante*, p. 344.

Bureau of Biological  
Survey.

## BUREAU OF BIOLOGICAL SURVEY

Mammal and bird  
reservations.

Maintenance of mammal and bird reservations: For an additional amount for maintenance of mammal and bird reservations, including the same objects specified under this heading in the Agricultural Appropriation Act for the fiscal year 1939, \$60,000.

*Ante*, p. 735.

Bureau of Agricul-  
tural Economics.

## BUREAU OF AGRICULTURAL ECONOMICS

United States Ware-  
house Act.

United States Warehouse Act: For an additional amount to enable the Secretary of Agriculture to carry into effect the provisions of the United States Warehouse Act, fiscal year 1939, including the same objects specified under this heading in the Agricultural Appropriation Act for the fiscal year 1939, \$55,000, of which not to exceed \$4,500 may be expended for personal services in the District of Columbia, not to exceed \$800 for printing and binding, and not to exceed \$3,600 for the purchase of passenger-carrying vehicles.

*Ante*, p. 741.

Agricultural land re-  
sources.

## CONSERVATION AND USE OF AGRICULTURAL LAND RESOURCES, DEPARTMENT OF AGRICULTURE

Conservation and  
use of; exhibits.  
49 Stat. 163, 1148.  
16 U. S. C., Supp.  
III, §§ 590a-590q.  
*Ante*, p. 31.

In carrying into effect the provisions of the Soil Conservation and Domestic Allotment Act, as amended, and the Agricultural Adjustment Act of 1938, as amended, the Secretary of Agriculture is authorized to expend out of the appropriations available to carry into effect the provisions of said Acts, during the fiscal years 1938 and 1939, not to exceed \$50,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States.

Department of  
Commerce.

## DEPARTMENT OF COMMERCE

Bureau of Marine  
Inspection and Navi-  
gation.  
Salaries and ex-  
penses.

## BUREAU OF MARINE INSPECTION AND NAVIGATION

Salaries and expenses: Not to exceed \$3,000 of the sum of \$50,000 made available only for the payment of extra compensation for over-time services, fiscal year 1937, in Public Resolution Numbered 28, Seventy-fifth Congress, entitled "Joint resolution to provide emergent appropriations for certain Federal activities for the remainder of the fiscal year ending June 30, 1937" (50 Stat. 136), under the heading

50 Stat. 136.

"Bureau of Marine Inspection and Navigation, Salaries and General Expenses", is hereby made available for the fiscal year 1937 and for all other objects therein specified under that heading.

## BUREAU OF LIGHTHOUSES

**Public works:** The unexpended balance of the appropriation of \$120,000, continuing available until June 30, 1938, contained under the heading "Bureau of Lighthouses, Special Projects" in the First Deficiency Appropriation Act, fiscal year 1936, approved June 22, 1936, for establishing and improving aids to navigation and other works as may be specifically approved by the Secretary of Commerce, is hereby continued available for the same purposes until expended.

**Retired pay:** For an additional amount for retired pay of officers and employees engaged in the field service or on vessels of the Lighthouse Service, fiscal year 1938, including the same objects specified under this head in the Department of Commerce Appropriation Act, 1938, \$16,500.

**Claims for damages by collision with Lighthouse vessels:** To pay claims adjusted and determined by the Department of Commerce under the provisions of section 4 of the Act approved June 17, 1910 (33 U. S. C. 721), on account of damages occasioned to private property by collision with vessels of the Lighthouse Service and for which the vessels of the Lighthouse Service were responsible, as fully set forth in House Document Numbered 679, Seventy-fifth Congress, \$200.

## COAST AND GEODETIC SURVEY

**Field expenses:** Not to exceed \$200 of the sum of \$93,000 appropriated for field expenses, Coast and Geodetic Survey, for Federal, boundary, and State surveys, in the Department of Commerce Appropriation Act, 1938, is hereby made available for payment of the expenses of conveyancing and the expense of making an abstract of title to certain property in Gaithersburg, Montgomery County, Maryland, as authorized in the Act approved August 16, 1937.

## BUREAU OF FISHERIES

**Inquiry respecting food fishes:** For an additional amount for inquiry into the cause of the decrease of food fishes in the waters of the United States, and for investigation and experiments in respect to the aquatic animals, fiscal year 1939, including the same objects specified under this head in the Department of Commerce Appropriation Act, 1939, and the charter, maintenance, and operation of vessels, \$76,000, of which sum not to exceed \$18,040 shall be available for the pay of permanent employees and not to exceed \$10,500 shall be available for traveling expenses.

**Fish cultural station:** For the establishment of a fish cultural station, fiscal year 1939, \$6,500.

## DEPARTMENT OF THE INTERIOR

## OFFICE OF THE SECRETARY

**Printing and binding:** For printing the complete transactions of the Third World Power Conference (which includes the Second Congress on Large Dams), sponsored by the United States pursuant to Public Resolution Numbered 58, approved August 26, 1935, fiscal year 1939, \$36,000.

Bureau of Lighthouses.

Public works.

49 Stat. 1618.

Retired pay.

50 Stat. 292.

Collision damage claims.

36 Stat. 537.  
33 U. S. C. § 721.

Coast and Geodetic Survey.

Field expenses.  
Gaithersburg, Md.,  
abstract of title.

50 Stat. 293.

50 Stat. 659.

Bureau of Fisheries.

Food fishes inquiry.

Ante, p. 282.

Fish cultural station.

Department of the Interior.

Office of the Secretary.

Printing transactions of Third World Power Conference.

49 Stat. 870.

George Rogers  
Clark Sesquicentennial  
Commission.  
Termination of,  
June 30, 1939.  
45 Stat. 723.  
Balances available.

#### GEORGE ROGERS CLARK SESQUICENTENNIAL COMMISSION

The George Rogers Clark Sesquicentennial Commission created by the joint resolution approved May 23, 1928, as amended, shall cease and terminate June 30, 1939, and the unexpended balances of the appropriations heretofore made for carrying out the purposes of such joint resolution, as amended, shall be available until June 30, 1939.

Mount Rushmore  
National Memorial  
Commission.  
Expenses.  
*Ante*, p. 694.

#### MOUNT RUSHMORE NATIONAL MEMORIAL COMMISSION

*Proviso.*  
Restriction on ex-  
penditure.

Mount Rushmore National Memorial Commission: For carrying into effect the provisions of the Mount Rushmore Memorial Act of 1938, fiscal year 1939, \$50,000: *Provided*, That no part of this appropriation shall be expended for work on any figure, in addition to the four figures authorized by law, upon which work had not commenced as of June 22, 1936.

National Bitumi-  
nous Coal Commis-  
sion.  
Salaries and ex-  
penses.

#### NATIONAL BITUMINOUS COAL COMMISSION

50 Stat. 72.  
15 U. S. C., Supp.  
III, § 828.

*Ante*, p. 294.  
Automobile.

*Proviso.*  
Limitation on ex-  
penditures.

Salaries and expenses: For an additional amount for all necessary expenditures of the National Bituminous Coal Commission in performing the duties imposed upon said Commission by the Bituminous Coal Act of 1937, approved April 26, 1937 (50 Stat. 72), including the same objects specified under this head in the Interior Department Appropriation Act for the fiscal year 1939 and including the purchase of a passenger-carrying automobile for use in the District of Columbia, fiscal year 1939, \$250,000: *Provided*, That expenditures during the fiscal year 1939 under this head and under the head "Salaries and expenses, office of consumers' counsel, National Bituminous Coal Commission", shall not exceed an amount equal to the aggregate receipts covered into the Treasury under the provisions of section 3 of the Bituminous Coal Act of 1937.

United States Hous-  
ing Authority.

#### UNITED STATES HOUSING AUTHORITY

Salaries and ex-  
penses.

48 Stat. 200; 49 Stat.  
119.

Availability of  
funds.

50 Stat. 888.  
42 U. S. C., Supp.  
III, §§ 1401-1430.

Printing and bind-  
ing.

Salaries and expenses: Such unexpended funds as remain, after completion of the housing or slum-clearance projects transferred from the Federal Emergency Administration of Public Works, from the funds authorized to be expended for such projects by the Federal Emergency Administration of Public Works under title II of the National Industrial Recovery Act and the Emergency Relief Appropriation Act of 1935 and transferred to the United States Housing Authority under Executive Order Numbered 7732 of October 27, 1937, as modified by Executive Order Numbered 7839 of March 12, 1938, are hereby reappropriated and made available for the purposes of the United States Housing Act of 1937, and of these funds and other funds of the Authority there is hereby made available during the fiscal year 1939 not to exceed \$3,500,000 for administrative expenses of the Authority, in carrying out the United States Housing Act of 1937, including personal services and rent in the District of Columbia and elsewhere; traveling expenses; printing and binding; procurement of supplies, equipment, and services; reproducing, photographing, and labor-saving devices and office appliances, including their repair and exchange; payment, when specifically authorized by the Administrator, of actual transportation expenses and not to exceed \$10 per diem in lieu of subsistence and other expenses to persons serving, while away from their homes, without other compensation from the United States, in an advisory capacity to the Authority; payment of the necessary traveling and other expenses of officers and employees of any agency of the Federal, State, or local Governments

whose services are utilized in the work of the Authority; not to exceed \$5,000 for the purchase and exchange of law books and other books of reference, periodicals, newspapers, and press clippings; not to exceed \$2,500 for exchange, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles, to be used only for official purposes; not to exceed \$1,000 for expenses of attendance, when specifically authorized by the Administrator, at meetings or conventions concerned with the work of the Authority; not to exceed \$10,000 for the preparation, mounting, shipping, and installation of exhibits; not to exceed \$5,000 for employing persons or organizations, by contract or otherwise, for special reporting, engineering, technical, and other services determined necessary by the Administrator, without regard to section 3709 of the Revised Statutes (41 U. S. C. 5), and without regard to the civil-service laws and the Classification Act of 1923, as amended: *Provided*, That all necessary expenses in connection with the completion of construction, development, management, and operation of projects transferred to the Authority by said Executive orders may be considered as nonadministrative expenses for the purposes hereof, and be paid from the funds allotted for or the rents from each project.

Vehicles.

Exhibits.

Special services.

R. S. § 3709.  
41 U. S. C. § 5.  
5 U. S. C. §§ 631-652;  
661-674; Supp. III,  
§§ 673, 673c.  
*Proviso.*  
Nonadministrative  
expenses.

## GENERAL LAND OFFICE

Salaries and commissions of registers: For an additional amount for salaries and commissions of registers of district land offices, for the following fiscal years:

For 1937, \$623.16;

For 1938, \$4,200.

Payment of proceeds of sales of Coos Bay Wagon Road grant lands and timber (receipt limitation): For an additional amount for payment of 25 per centum of the balance of the proceeds from sales of the Coos Bay Wagon Road grant lands and timber within each of the counties of Coos and Douglas, Oregon, after deducting the accrued taxes in said counties and a sum equal to \$2.50 per acre for the land title to which revested in the United States pursuant to the Act of February 26, 1919 (40 Stat. 1179), to be paid to the treasurer of the county for common schools, roads, highways, bridges, and port districts, fiscal year 1938, \$7,279.05: *Provided*, That expenditures hereunder shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

General Land Office.

Salaries and commissions of registers.

49 Stat. 1762.

50 Stat. 569.

Coos Bay Wagon  
Road grant lands, etc.  
Payment of pro-  
ceeds of sales of.

40 Stat. 1179.

*Proviso.*  
Limitation.

48 Stat. 1227.  
31 U. S. C. § 725c.

Payment in lieu of  
taxes.  
Oregon and Cali-  
fornia grant lands.

44 Stat. 915.

*Proviso.*  
Limitation.  
48 Stat. 1227.  
31 U. S. C. § 725c.

Range improve-  
ments, outside of graz-  
ing districts.

48 Stat. 1275, 1273;  
49 Stat. 1976.

*Proviso.*  
Limitation.  
48 Stat. 1275.

Payment to certain counties in Oregon in lieu of taxes on Oregon and California grant lands (receipt limitation): For an additional amount for payment to the several counties in the State of Oregon, pursuant to the Act of July 13, 1926 (44 Stat. 915), amounts of money in lieu of the taxes that would have accrued against the revested Oregon and California Railroad Company grant lands if the lands had remained privately owned and taxable, fiscal year 1938, \$246,000: *Provided*, That payments to the counties shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

Range improvements on public lands outside of grazing districts (receipt limitation): For construction, purchase, and maintenance of range improvements on the public lands subject to grazing leases under the provisions of section 15, and pursuant to the provisions of section 10, of the Act of June 28, 1934 (48 Stat. 1269), as amended by the Act of June 26, 1936 (49 Stat. 1976), fiscal year 1939, \$60,000: *Provided*, That expenditures hereunder shall not exceed 25 per centum of all moneys received under the provisions of section 15 of said Act during the fiscal years 1938 and 1939.



Bureau of Indian Affairs.

BUREAU OF INDIAN AFFAIRS

Purchase, etc., of Indian supplies.

Purchase and transportation of Indian supplies: For additional amounts for expenses of purchase and transportation of goods and supplies for the Indian Service, for the fiscal years that follow:

48 Stat. 366.

For 1935, \$35,000;

49 Stat. 181.

For 1936, \$15,000

49 Stat. 1763.

For 1937, \$140,000;

50 Stat. 570.

For 1938, \$100,000

Suppressing liquor, etc., traffic.

Suppressing liquor traffic among Indians: For an additional amount for the suppression of the traffic in intoxicating liquors and deleterious drugs among Indians, fiscal year 1937, \$1,861.97.

49 Stat. 1763.

Vehicles; limitation on expenditure increased.

Vehicles, Indian Service: The limitation of \$290,000 on the amount of applicable appropriations for the Bureau of Indian Affairs contained in the Interior Department Appropriation Act, fiscal year 1937, that may be expended for the maintenance, repair, and operation of motor-propelled and horse-drawn passenger-carrying vehicles for the use of employees in the Indian field service, and the transportation of Indian school pupils, is hereby increased to \$430,000.

Fiscal year 1937.

49 Stat. 1764.

Fiscal year 1938.

Vehicles, Indian Service: The limitation of \$190,000 on the amount of applicable appropriations for the Bureau of Indian Affairs contained in the Interior Department Appropriation Act, fiscal year 1938, that may be expended for the purchase and exchange of motor-propelled, passenger-carrying vehicles for the use of employees in the Indian field service, including the transportation of Indian school pupils, is hereby increased to \$200,000.

Payment to Sioux Indians for failure to receive allotments.

Payment to Sioux Indians for failure to receive allotments: For an additional amount for payment to various Sioux Indians of the Pine Ridge Reservation, South Dakota, or their heirs, on account of allotments of land to which they were entitled but did not receive, and for compensation of attorneys for services performed, fiscal year 1938, \$80, to remain available until expended.

Fort Hall Reservation, Idaho, purchase of land.

Purchase of land, Fort Hall Reservation, Idaho (tribal funds): For the purchase of Indian-owned and privately owned lands or interests therein, and improvements thereon, fiscal year 1939, \$40,000, payable from funds on deposit to the credit of the Fort Hall Indians: *Provided*, That title to any land, interests therein, or improvements so purchased shall be taken in the name of the United States in trust for the Shoshone-Bannock Tribes of the Fort Hall Reservation: *Provided further*, That in the discretion of the Secretary of the Interior title may be taken to the surface only.

*Proviso.*  
Title in trust for Shoshone - Bannock Tribes.

Title to surface only.

Southern Ute Indians, Colo., purchase of land for.

Purchase of land for the Southern Ute Indians, Colorado (tribal funds): For the purchase of land and improvements thereon for the Southern Ute Indians in Colorado, fiscal year 1939, \$20,000, payable from funds on deposit to the credit of the Southern Ute Band of Ute Indians: *Provided*, That title to any land or improvements so purchased shall be taken in the name of the United States in trust for the Southern Ute Band of Indians.

*Proviso.*  
Title to land.

Ute Mountain Indians, Colo., purchase of land for.

Purchase of land for Ute Mountain Indians, Colorado (tribal funds): For the purchase of land and improvements thereon for the Ute Mountain Band of Indians in Colorado, fiscal year 1939, \$20,000, payable from funds on deposit to the credit of the Ute Mountain Band: *Provided*, That title to any land or improvements so purchased shall be taken in the name of the United States in trust for the Ute Mountain Band of Ute Indians.

*Proviso.*  
Title to land.

Industrial assistance.

Industrial assistance (tribal funds): For an additional amount for the construction of homes for individual members of the tribes; for advances to them for the purchase of seed, animals, machinery, tools,

implements, building material, and other equipment and supplies; and for advances to old, disabled, or indigent Indians for their support and burial, and Indians having irrigable allotments to assist them in the development and cultivation thereof, fiscal year 1939, \$178,000, payable from tribal funds as follows: Fort Apache, Arizona, \$25,000; Sells, Arizona, \$3,000; Navajo, Arizona and New Mexico, \$25,000; Blackfeet, Montana, \$125,000; subject to the same conditions specified under this head in the Interior Department Appropriation Act, 1939.

Maintenance, San Carlos irrigation project, Gila River Reservation, Arizona (receipt limitation): For an additional amount for operation and maintenance of the San Carlos project for the irrigation of lands in the Gila River Indian Reservation, Arizona, fiscal year 1938, \$10,000 (power revenues), from which amount expenditures shall not exceed the aggregate receipts covered into the Treasury in accordance with section 4 of the Permanent Appropriation Repeal Act, 1934.

Irrigation systems on Indian reservations: For additional amounts for the construction, repair, and rehabilitation of irrigation systems on Indian reservations, including the same objects and limitations specified under this head in the Interior Department Appropriation Act, 1938, to remain available until June 30, 1939, as follows:

Arizona: Salt River, \$42,712, reimbursable;

New Mexico: Fruitlands, \$130,000, reimbursable.

Natives in Alaska: For an additional amount for natives of Alaska, fiscal year 1939, including the same objects specified under this head in the Interior Department Appropriation Act, 1939, \$35,000.

Construction and equipment: Point Barrow Hospital, Alaska: The appropriation of \$100,000 contained in the Second Deficiency Appropriation Act, fiscal year 1937, for the construction and equipment of a hospital at Point Barrow, Alaska, is hereby continued available for the same purposes until June 30, 1939.

Grazing fees, Tongue River Reservation, Montana (tribal funds): Not to exceed \$6,000 of the funds on deposit in the Treasury of the United States to the credit of the Northern Cheyenne Indians of the Tongue River Reservation, Montana, may be used to pay individual members of the tribe, or their heirs, for the rental of allotments during 1935 and 1936 to the Northern Cheyenne Indian Stockgrowers Association, fiscal year 1938, to remain available until June 30, 1939.

Expenses of attorneys, Quinaielt Reservation, Washington (tribal funds): Not to exceed \$1,500 of the funds on deposit to the credit of the Quinaielt Indians, Washington, is hereby made available for the fiscal year 1939 for expenses incurred by the attorney of record in prosecuting the claims of the Quinaielt Tribe in the Court of Claims, as authorized by the Act of February 12, 1925 (43 Stat. 886): *Provided*, That claims for such expenses shall be filed with and approved by the Secretary of the Interior, and such claims shall be itemized and supported by proper vouchers: *Provided further*, That any payments made hereunder shall be deducted from any amount which may hereafter be decreed by the Court of Claims to the attorney for expenses in connection with the suit on behalf of the Quinaielt Indians.

Expenses of special attorneys, Osage Nation, Oklahoma (tribal funds): For necessary and proper expenses of attorneys employed under contracts in accordance with existing law, to prosecute tax matters on behalf of the Osage Indians, fiscal year 1939, to remain available until expended, \$4,000, payable, upon proper vouchers approved by the Secretary of the Interior, from funds on deposit to the credit of the Osage Tribe.

*Ante*, p. 302.

Gila River Reservation, Ariz., maintenance of San Carlos irrigation project.

50 Stat. 577.

48 Stat. 1227.  
31 U. S. C. § 725c.  
Irrigation systems on Indian reservations.

50 Stat. 576.

Arizona.

New Mexico.

Natives in Alaska.

*Ante*, p. 310.

Point Barrow Hospital, Alaska, construction and equipment.  
50 Stat. 222.

Tongue River Reservation, Mont., grazing fees.

Quinaielt Reservation, Wash., expenses of attorneys.

43 Stat. 886.

*Provisos*.  
Filing of claims.

Deductions.

Osage Indians, Okla., expenses of special attorneys.

Klamath Reservation,  
Oreg.

Klamath Reservation, Oregon: For an additional amount for support of Indians and administration of Indian property, Klamath Reservation, Oregon, fiscal year 1939, \$4,500, payable from funds on deposit to the credit of the Klamath Indians, which amount shall be available only for fees and expenses of an attorney or firm of attorneys selected by the tribe and employed under a contract approved by the Secretary of the Interior in accordance with existing law.

Construction, etc.,  
buildings and utilities,  
Indian Service.

Construction, and so forth, buildings and utilities, Indian Service: For an additional amount for the construction, repair, or rehabilitation of school, agency, hospital, or other buildings and utilities, including the purchase of land and the acquisition of easements or rights-of-way when necessary, and including the purchase of furniture, furnishings, and equipment as follows:

Choctaw-Chickasaw  
Sanatorium and  
General Hospital,  
Okla.  
Pine Ridge, S. Dak.

Choctaw-Chickasaw Sanatorium and General Hospital, Oklahoma: Quarters for employees, \$40,000;

Pine Ridge, South Dakota: Horse barn, \$10,000; nurses' home and ward attendants' building, including passageway connecting hospital to present nurses' home and remodeling such home for hospital use, \$40,000;

San Xavier Sanatorium,  
Ariz.

San Xavier Sanatorium, Arizona: Improvements to sewer system, \$8,500;

Sioux Sanatorium,  
S. Dak.

Sioux Sanatorium, South Dakota: Remodeling and reconditioning old buildings and utilities, \$50,000;

Uintah and Ouray,  
Utah.

Uintah and Ouray, Utah: Quarters for employees, \$12,500;

United Pueblos, N.  
Mex.

United Pueblos, New Mexico: Agricultural building (Albuquerque School), \$30,000;

Aggregate.  
*Provided*,  
Interchangeability  
of amounts.

In all, fiscal year 1939, \$191,000: *Provided*, That not to exceed 5 per centum of the amount of any specific authorization may be transferred, in the discretion of the Commissioner of Indian Affairs, to the amount of any other specific authorization but no limitation shall be increased more than 10 per centum by such transfer.

Reindeer industry,  
Alaska.

Reindeer industry, Alaska: For an additional amount for a survey and appraisal of the property and reindeer authorized to be acquired for the natives of Alaska under the provisions of the Act approved September 1, 1937 (50 Stat. 900), fiscal year 1939, including the same objects and under the same conditions specified under this head in the Interior Department Appropriation Act, 1939, \$25,000, to be immediately available.

50 Stat. 900.

*Ante*, p. 313.

Great Lakes Agency,  
Wis., buildings  
and utilities.

Construction, and so forth, buildings and utilities: Not to exceed \$25,000 of the appropriation of \$147,500 for a school building at Lac du Flambeau (Great Lakes Agency), Wisconsin, contained in the Interior Department Appropriation Act, 1938, is hereby made available until June 30, 1940, for general repairs and improvements to buildings and utilities (including the purchase and erection of a new water tank) under the jurisdiction of the Great Lakes Agency.

50 Stat. 590.

Indians of Sioux Reservations,  
payments.

Payment to Indians of Sioux Reservations: For additional amounts for payment of Sioux benefits to Indians of the Sioux Reservations as authorized by the Act of March 2, 1889 (25 Stat. 895), as amended, for the fiscal years that follow:

25 Stat. 895.

47 Stat. 110.

48 Stat. 376.

49 Stat. 1780.

50 Stat. 591.

For 1933, \$126.50;

For 1935, \$825.30;

For 1937, \$52,000;

For 1938, \$160,000.

Payment of interest  
on Indian trust funds.

Payment of interest on Indian trust funds: For additional amounts for payment of interest on moneys held in trust for the several Indian tribes, as authorized by various Acts of Congress, for the following fiscal years:

49 Stat. 1780.

50 Stat. 591.

For 1937, \$26,000;

For 1938, \$25,000.

Roads, Indian reservations: For an additional amount for the construction, improvement, repair, and maintenance of Indian reservation roads, fiscal year 1939, including the same purposes and subject to the limitations under this head in the Interior Department Appropriation Act, 1939, \$2,000,000.

Travel expenses, and so forth, of employees, Indian Service: Appropriations made for the Indian Service for the fiscal year 1939 shall be available for travel expenses of employees on official business; for travel expenses and the cost of packing, crating, drayage, and transportation of personal effects of employees upon permanent change of station with or without a change in official position; for the purchase of ice, and for the purchase of rubber boots for official use of employees.

## BUREAU OF RECLAMATION

The following sums are appropriated, out of the special fund in the Treasury of the United States created by the Act of June 17, 1902 (43 U. S. C. 391, 411), and therein designated "the reclamation fund", to remain available until June 30, 1939:

Salt River project, Arizona: For continuation of construction, \$400,000;

Yuma project, Arizona-California: For operation and maintenance improvements and betterments, \$100,000;

Tucumcari project, New Mexico: For construction of a project for the irrigation of the lands of the Arch Hurley Conservancy District in New Mexico as authorized by the Act of August 2, 1937 (50 Stat. 557), as amended by the Act of April 9, 1938 (Public, Numbered 477, Seventy-fifth Congress, third session), \$250,000;

Klamath project, Oregon-California: For continuation of construction, \$100,000;

Riverton project, Wyoming: For construction of a transmission line, \$125,000;

In all, reclamation fund, special fund, \$975,000.

Commission to investigate reclamation projects: The unexpended balance of the appropriation of \$30,000 for the Commission to investigate reclamation projects contained in the Third Deficiency Appropriation Act, fiscal year 1937, approved August 25, 1937 (50 Stat. 764), is hereby continued available for the same purposes during the fiscal year 1939.

General investigations: The unexpended balance of the appropriation of \$200,000 to enable the Secretary of the Interior, through the Bureau of Reclamation, to carry on engineering and economic investigations of proposed Federal reclamation projects, surveys for reconstruction, rehabilitation, or extension of existing projects and studies of water conservation and development plans contained in the Interior Department Appropriation Act, fiscal year 1938, is hereby continued available for the same purposes for the fiscal year 1939.

## BUREAU OF MINES

Acquisition of helium properties: For acquirement, in accordance with the provisions of the Act of September 1, 1937 (50 Stat. 885), from the Girdler Corporation of helium-producing properties at Thatcher, Colorado, and at Dexter, Kansas, including real estate, buildings, ground equipment, machinery and equipment, materials and supplies, pipe lines, gas wells, engineering and geological data, lease rights, and patent licenses, fiscal year 1939, \$537,975.23.

Building and equipment, University of Utah: For the erection and equipment of a building or buildings on a site, to be donated to the United States, adjacent to the campus of the University of Utah at

Reservation roads, construction, etc.

*Ante*, p. 316.

Travel, etc., expenses.  
*Ante*, p. 298.

Bureau of Reclamation.

Payments, from reclamation fund.  
32 Stat. 388.  
43 U. S. C. §§ 391, 411.

Construction, etc., of projects.  
Salt River, Ariz.  
Yuma, Ariz.-Calif.

Tucumcari, N. Mex.

50 Stat. 557.

*Ante*, p. 211.

Klamath, O reg.-Calif.

Riverton, Wyo.

Commission to investigate reclamation projects, expenses.  
Unexpended balance reappropriated.  
50 Stat. 764.

General investigations.

50 Stat. 597.

Bureau of Mines.

Acquisition of helium properties.  
50 Stat. 885.  
50 U. S. C., Supp. III, § 161.

University of Utah, building and equipment.

*Ante*, p. 82.  
Plans and specifications.

*Ante*, p. 816.

Boulder City, Nev.,  
laboratory.

Salt Lake City, Utah, suitable for use by the Bureau of Mines for the mining experiment station at Salt Lake City, as authorized by the Act of February 25, 1938 (Public, Numbered 436, Seventy-fifth Congress), including expenses in the District of Columbia and elsewhere for the preparation of plans and specifications, advertising, traveling expenses, and supervision of construction, fiscal year 1939, the sum of \$300,000 is hereby made available from the amount allocable for Federal projects under section 201 of the Public Works Administration Appropriation Act of 1938.

Laboratory, Boulder City, Nevada: For the purchase of a building at Boulder City, Nevada, formerly used as a carpenter shop during construction of Boulder Dam, for removal of the building from its present location to a site adjacent to the electrometallurgical laboratory of the Bureau of Mines, and for such alterations as may be needed to prepare the building for laboratory use, including personal services, materials, and supplies, fiscal year 1939, \$6,000.

National Park Service.  
Great Smoky Mountains National Park, N. C.-Tenn.  
Acquisition of lands for completion.

*Ante*, p. 29.

National historical parks and monuments, etc.

50 Stat. 609.

Morristown National Historical Park, N. J., museum.

Statue of Liberty National Monument, N. Y.

Erection of markers on route of armies in Georgia during War between the States.  
50 Stat. 605.

Ackia National Memorial Commission and Battleground National Monument.

49 Stat. 897, 1119.  
50 Stat. 765.  
Balance continued available.

Emergency reconstruction and fighting forest fires.

*Proviso.*  
Restriction on allotment.

#### NATIONAL PARK SERVICE

Great Smoky Mountains National Park, North Carolina and Tennessee: For the acquisition of the lands needed to complete the Great Smoky Mountains National Park, including expenses incidental thereto, in accordance with the authority contained in the Act approved February 12, 1938 (Public, Numbered 428, Seventy-fifth Congress), \$743,265.29, to remain available until expended.

National Historical Parks and Monuments—National Military parks, battlefields, monuments, and cemeteries: The appropriation "Salaries and Expenses, Public Buildings Outside the District of Columbia, National Park Service, 1938" is hereby made available as of July 1, 1937, for expenditure during the fiscal year 1938 in an amount not to exceed \$2,880 for maintenance of the museum building, Morristown National Historical Park, New Jersey, and in an amount not to exceed \$12,735 for administration, protection, and maintenance of the Statue of Liberty National Monument, New York.

The unexpended balance of the amount of \$10,000, included in the appropriation for the fiscal year 1938 for "National military parks, battlefields, monuments, and cemeteries", to provide for the erection and maintenance of permanent markers along the route followed by the armies in Georgia during the War between the States, is continued available for the same purposes until June 30, 1939.

Ackia National Memorial Commission and Battleground National Monument: The unexpended balance of the appropriation to carry out the provisions of the Act entitled "An Act to provide for the commemoration of the two-hundredth anniversary of the Battle of Ackia, Mississippi, and the establishment of the Ackia Battleground National Monument, and for other purposes", approved August 27, 1935, contained in the Supplemental Appropriation Act, fiscal year 1936, and continued available during the fiscal year 1938, is hereby continued available for the same purposes during the fiscal year 1939.

Emergency reconstruction and fighting forest fires in national parks: For an additional amount for reconstruction, replacement, and repair of roads, trails, bridges, buildings, and other physical improvements and of equipment in national parks or national monuments that are damaged or destroyed by flood, fire, storm, or other unavoidable causes and for fighting or emergency prevention of forest fires in national parks or other areas administered by the National Park Service, or fires that endanger such areas, fiscal year 1938, \$40,000: *Provided*, That the allotment of these funds to the various national parks or areas administered by the National Park Service as may be required for fire-fighting purposes shall be made

by the Secretary of the Interior, and then only after the obligation for the expenditure has been incurred.

Roads and trails, National Park Service: For an additional amount for the construction, reconstruction, and improvement of roads and trails, inclusive of necessary bridges, in the national parks, monuments, and other areas administered by the National Park Service, including the Boulder Dam Recreational Area, and other areas authorized to be established as national parks and monuments, and national park and monument approach roads authorized by the Act of January 31, 1931 (46 Stat. 1053, 1054), as amended, including the roads from Glacier Park Station through the Blackfeet Indian Reservation to various points in the boundary line of the Glacier National Park and the international boundary, fiscal year 1939, \$3,000,000, to remain available until expended: *Provided*, That not to exceed \$10,000 of the amount herein appropriated may be expended for personal services in the District of Columbia during the fiscal year 1939.

Blue Ridge and Natchez Trace Parkways: For an additional amount for continuing the construction and maintenance, under the provisions of section 5 of the Act of June 16, 1936 (49 Stat. 1519-1922<sup>1</sup>), of the Blue Ridge and Natchez Trace Parkways, fiscal year 1939, \$2,000,000, to remain available until expended, of which amount not to exceed \$10,000 shall be available for personal services in the District of Columbia during the fiscal year 1939.

Salaries and general expenses, public buildings and grounds in the District of Columbia: That portion of the appropriation for "Salaries and general expenses, public buildings and grounds in the District of Columbia, National Park Service", contained in the Interior Department Appropriation Act, 1939, reading "per diem employees at rates of pay approved by the Director, not exceeding current rates for similar services in the District of Columbia", is amended by the addition of the following: "and such employees in emergencies may be entered on duty subject to confirmation by the Secretary of the Interior".

#### GOVERNMENT IN THE TERRITORIES

Government of the Virgin Islands: The President is hereby authorized to allocate from the appropriation contained in the Emergency Relief Appropriation Act of 1937 the sum of \$1,102.47 as an additional amount to cover freight charges in carrying out a project for the improvement, rebuilding, and construction of roads in the Virgin Islands for which there was made available an allocation of funds from the appropriation contained in the Emergency Relief Appropriation Act of 1935.

Administrative expenses, Equatorial and South Sea Islands: For an additional amount for administrative expenses of the Division of Territories and Island Possessions, in carrying out the provisions of Executive Orders Numbered 7368 and 7828, approved May 13, 1936, and March 3, 1938, respectively, including the same objects specified under this head in the Interior Department Appropriation Act, 1938, and including reimbursement to other appropriations for services, materials, supplies, and equipment: fiscal year 1938, \$8,500; fiscal year 1939, \$16,500; in all, \$25,000.

Insane of Alaska: For an additional amount for the care and custody of persons legally adjudged insane in Alaska, including the same objects and for the same services specified in the Interior Department Appropriation Act, 1938, \$4,700.

Roads and trails, construction, etc.

46 Stat. 1053.  
16 U. S. C. §§ 8a-8c.

*Proviso.*  
Personal services,  
D. C.

Blue Ridge and  
Natchez Trace Park-  
ways.  
49 Stat. 1520.

Public buildings  
and grounds, D. C.,  
salaries, etc.

*Ante*, p. 335.

Government in the  
Territories.

Government of the  
Virgin Islands, road  
construction.  
50 Stat. 352.

49 Stat. 116.

Equatorial and  
South Sea Islands, ad-  
ministrative expenses.

50 Stat. 614.  
Reimbursement of  
other appropriations.

Insane of Alaska.

50 Stat. 612.

<sup>1</sup> So in original.

Saint Elizabeths  
Hospital.

Continuous-treat-  
ment building, con-  
struction, etc.

Continuous-treatment building, Saint Elizabeths Hospital: For an additional amount for construction and equipment of a continuous-treatment building, including preparation of plans and specifications, advertising, and supervision of construction, fiscal year 1938, \$30,000.

#### SAINT ELIZABETHS HOSPITAL

Freedmen's Hospi-  
tal.  
Maintenance and  
operation.

50 Stat. 615.

For an additional amount for the maintenance and operation of Freedmen's Hospital, including the same objects specified under this head in the Interior Department Appropriation Act, 1938, \$15,000, of which amount one-half shall be chargeable to the District of Columbia, and paid in like manner as other appropriations of the District of Columbia are paid.

#### FREEDMEN'S HOSPITAL

Personal services,  
supplies, and equip-  
ment.

For an additional amount for Freedmen's Hospital for the fiscal year 1939, \$50,000, of which amount \$31,140 shall be available for officers and employees and compensation for all other professional and other services that may be required and expressly approved by the Secretary of the Interior, and \$18,860 shall be available for subsistence, fuel and light, supplies, equipment, and other objects specified under this head in the Interior Department Appropriation Act, 1939, of which amount of \$50,000 one-half shall be charged to the District of Columbia and paid in like manner as other appropriations of the District of Columbia are paid.

*Ante*, p. 342.

Deposit of sums  
paid for care and  
treatment.

All sums paid to the Surgeon in Chief of Freedmen's Hospital for the care and treatment of patients that he is authorized by law to receive shall be deposited to the credit on the books of the Treasury Department of the appropriation made for the maintenance and operation of Freedmen's Hospital for the fiscal year current at the time such sums are so paid, and be subject to requisition upon approval of the Secretary of the Interior.

Requisition.

### DEPARTMENT OF JUSTICE

Department of Jus-  
tice.

#### OFFICE OF THE ATTORNEY GENERAL

Office of the Attor-  
ney General.  
Contingent ex-  
penses.

Contingent expenses: For an additional amount for contingent expenses, Department of Justice, including the same objects specified under this head in the Department of Justice Appropriation Act, 1938, fiscal year 1938, \$15,000.

50 Stat. 273.

Printing and bind-  
ing.

Printing and binding: For an additional amount for printing and binding for the Department of Justice and the courts of the United States, fiscal year 1938, \$75,000.

Federal Bureau of  
Investigation.  
Salaries and ex-  
penses.  
Fiscal year 1938.

#### FEDERAL BUREAU OF INVESTIGATION

Salaries and expenses: For an additional amount for salaries and expenses, Federal Bureau of Investigation, including the same objects specified under this head in the Department of Justice Appropriation Act, 1938, fiscal year 1938, \$158,000.

50 Stat. 274.

Fiscal year 1939.

Salaries and expenses: For an additional amount for salaries and expenses, fiscal year 1939, including the same purposes and under the same conditions specified under this head in the Department of Justice Appropriation Act, 1939, \$150,000, to be held as a reserve for emergencies arising in connection with kidnapping and extortion cases and to be released for expenditure in such amounts and at such times as the President, upon recommendation of the Attorney General, may determine.

*Ante*, p. 259.

Emergency reserve.

International Crimi-  
nal Police Commis-  
sion, membership.

Not to exceed \$1,500 of the appropriation "Salaries and Expenses, Federal Bureau of Investigation, 1939", in the Department of Justice Appropriation Act, 1939, shall be available to maintain, on behalf

of the United States, membership in the International Criminal Police Commission, as authorized by the Act approved June 10, 1938.

Construction of target range: For the construction on the Marine Corps Reservation at Quantico, Virginia, of a target range and range buildings for training of personnel of the Federal Bureau of Investigation, including the purchase and installation of machinery and equipment and all expenses incident thereto, to be expended under the direction of the Attorney General by contract or purchase of materials and hire of labor and services as the Attorney General may direct, \$150,000, to remain available until June 30, 1939.

Claims for damages: For the payment of claims for damages to any person or damages to or loss of privately owned property caused by employees of the Federal Bureau of Investigation, acting within the scope of their employment, considered, adjusted, and determined by the Attorney General, under the provisions of the Act entitled "An Act to provide for the adjustment and settlement of certain claims arising out of the activities of the Federal Bureau of Investigation", approved March 20, 1936 (49 Stat. 1184), as fully set forth in House Document Numbered 674, Seventy-fifth Congress, \$1,050.

*Ante*, p. 640.

Quantico, Va., target range.

Claims for damages.

49 Stat. 1184.  
5 U. S. C., Supp.  
III, § 300b.

#### MISCELLANEOUS OBJECTS, DEPARTMENT OF JUSTICE

Miscellaneous.

Enforcement of antitrust and kindred laws: For an additional amount for the enforcement of antitrust and kindred laws, fiscal year 1939, including experts at such rates of compensation as may be authorized or approved by the Attorney General, except that the compensation paid to any person employed hereunder shall not exceed the rate of \$10,000 per annum, and including not to exceed \$28,000 for personal services in the District of Columbia, \$200,000.

Enforcement of anti-trust, etc., laws.  
*Ante*, p. 260.

Salaries and expenses, case of Northern Pacific Railway Company and others: For salaries and expenses incident to prosecution of the case of United States against Northern Pacific Railway Company, and others, equity numbered 4389, United States District Court Eastern District of Washington, including traveling and office expenses; law books; stenographic reporting services, by contract or otherwise, including notarial fees or like services, and stenographic work in taking depositions at such rates of compensation as may be authorized or approved by the Attorney General; fees of witnesses and appraisers; compensation of special master in accordance with order of the United States district court; printing and binding; the employment of experts at such rates of compensation as may be authorized or approved by the Attorney General; and personal services in the District of Columbia and elsewhere, fiscal year 1939, \$55,000, together with the unexpended balances of the appropriations for this purpose for the fiscal years 1936-1938.

Northern Pacific Railway Company and others, salaries and expenses, prosecution of case against.

#### JUDICIAL

Judicial.

Salaries of judges: For an additional amount for salaries of circuit, district, and retired judges, including the same objects specified under this head in the Department of Justice Appropriation Act, 1938, fiscal year 1938, \$60,000.

Salaries of judges.

50 Stat. 276.

#### MARSHALS AND OTHER EXPENSES OF UNITED STATES COURTS

United States Courts.

Salaries and expenses of district attorneys, and so forth: Not to exceed \$37,000 of the unexpended balance of the appropriation "Salaries and Expenses of District Attorneys, United States Courts, 1937", is hereby continued available for the same purposes until June 30, 1938.

Salaries and expenses of district attorneys, etc.

49 Stat. 1326.



Commissioners, fees.	Fees of Commissioners: For an additional amount for fees of United States Commissioners and other committing magistrates acting under section 1014, Revised Statutes (18 U. S. C. 591), fiscal year 1933, \$1.50.
R. S. § 1014. 18 U. S. C. § 591.	
Conciliation commissioners, fees, etc.	Fees and expenses of conciliation commissioners: Not to exceed \$75,000 of the unexpended balances of the appropriations "Fees and Expenses of Conciliation Commissioners, United States Courts, 1937", and "Fees of Conciliation Commissioners, United States Courts, 1938", is hereby continued available for the same purposes until June 30, 1939.
49 Stat. 1327.	
50 Stat. 278.	
Bailiffs.	Pay of bailiffs: For an additional amount for pay of bailiffs, and so forth, United States courts, including the same objects specified under this head in the Department of Justice Appropriation Act, 1938, fiscal year 1938, \$44,000.
50 Stat. 279.	
Miscellaneous expenses.	Miscellaneous expenses, United States courts: For an additional amount for miscellaneous expenses, United States courts, including the same objects specified under this head in the Department of Justice Appropriation Acts for the following fiscal years: For 1936, \$1,288.06; For 1938, \$169,840.
49 Stat. 82.	
50 Stat. 279.	

Penal and correctional institutions.  
Salaries, etc.

#### PENAL AND CORRECTIONAL INSTITUTIONS

For additional amounts for the fiscal year 1939 for salaries and wages of officers and employees in penal and correctional institutions, as follows:

United States Penitentiary, Leavenworth, Kansas, \$18,600;  
United States Penitentiary Annex, Leavenworth, Kansas, \$7,440;  
United States Penitentiary, Atlanta, Georgia, \$18,600;  
United States Penitentiary, McNeil Island, Washington, \$11,160;  
United States Northeastern Penitentiary, \$11,160;  
United States Penitentiary, Alcatraz Island, California, \$9,300;  
United States Industrial Reformatory, Chillicothe, Ohio, \$16,740;  
United States Southwestern Reformatory, \$3,720;  
United States Hospital for Defective Delinquents, \$5,580;  
Federal jails, \$3,720;  
Prison camps, \$3,720;  
Federal Reformatory Camp, Petersburg, Virginia, \$9,300;

National Training School for Boys, D. C.

National Training School for Boys, Washington, District of Columbia, \$10,800;

In all, penal and correctional institutions, \$129,840.

National Training School for Boys, Washington, District of Columbia: For an additional amount for the National Training School for Boys, Washington, District of Columbia, including the same objects specified under this head in the Department of Justice Appropriation Act, 1938, fiscal year 1938, \$9,830, of which amount not to exceed \$2,230 may be expended for salaries and wages of officers and employees.

Prison camps, motor bus.

Prison camps: The appropriation "Prison Camps, Maintenance, 1939", shall be available for the purchase of a motor-propelled passenger-carrying bus at not to exceed \$14,000.

Department of Labor.

#### DEPARTMENT OF LABOR

Office of the Secretary.

#### OFFICE OF THE SECRETARY

Traveling expenses.

Traveling expenses: For an additional amount for all traveling expenses, except travel expenses incident to the deportation of aliens, under the Department of Labor, including all bureaus and divisions thereunder, fiscal year 1939, \$20,000.

*Ante*, p. 285.

Printing and binding: For an additional amount, fiscal year 1939, for printing and binding for the Department of Labor, including the same objects specified under this head in the Department of Labor Appropriation Act, 1939, \$2,700.

Printing and binding.

*Ante*, p. 285.

Salaries and expenses, Division of Labor Standards: For an additional amount for salaries and expenses, Division of Labor Standards, fiscal year 1939, including the same objects specified under this head in the Department of Labor Appropriation Act, 1939, \$51,000, of which amount not to exceed \$12,000 may be expended for personal services in the District of Columbia.

Division of Labor Standards, salaries and expenses.

*Ante*, p. 285.

#### ADMINISTRATION OF THE FAIR LABOR STANDARDS ACT

To carry into effect the provisions of the "Fair Labor Standards Act of 1938", including personal services and rent in the District of Columbia and elsewhere, contract stenographic reporting services, travel expenses, printing and binding, law books, books of reference, and periodicals, and all other necessary expenses, fiscal year 1939, to be immediately available, \$400,000: *Provided*, That this appropriation shall not become available unless and until the aforesaid legislation is enacted into law.

Fair Labor Standards Act.

Administration expenses.

*Ante*, p. 1060.

*Proviso*.  
Conditional availability.

#### BUREAU OF LABOR STATISTICS

Investigation of labor conditions in Hawaii: For personal services in the District of Columbia and elsewhere and all other expenses necessary to collect, assort, arrange, and present in reports, statistical details relating to all departments of labor in the Territory of Hawaii, especially in relation to the commercial, industrial, social, educational, and sanitary conditions of the laboring classes, as directed in the Act approved April 8, 1904 (33 Stat. 164), including supplies, services, equipment, rental of tabulating and office machines, traveling expenses, and printing and binding, fiscal year 1939, \$14,900.

Bureau of Labor Statistics.

Investigation of labor conditions in Hawaii.

33 Stat. 164.  
29 U. S. C. § 7.

#### CHILDREN'S BUREAU

Grants to States for maternal and child-health services, Social Security Act: For an additional amount for grants to States for the purpose of enabling each State to extend and improve services for promoting the health of mothers and children, as authorized in title V, part 1, of the Social Security Act, approved August 14, 1935 (49 Stat. 629-631), to complete payment of allotments made to the several States for the fiscal year 1937 in excess of the amount appropriated under this head in the Department of Labor Appropriation Act, 1937, as therein authorized, \$904,000, to remain available for payment of allotments made to the States for the fiscal year 1938 for similar purposes.

Children's Bureau.

Grants to States.  
Maternal and child-health services.

49 Stat. 629.  
42 U. S. C., Supp.  
III, §§ 701-705.

49 Stat. 1350.

Grants to States for services to crippled children, Social Security Act: For an additional amount for the purpose of enabling each State to extend and improve services for crippled children, as authorized in title V, part 2, of the Social Security Act, approved August 14, 1935 (49 Stat. 631-633), to complete payment of allotments made to the several States for the fiscal year 1937 in excess of the amount appropriated under this head in the Department of Labor Appropriation Act, 1937, as therein authorized, \$749,000, to remain available for payment of allotments made to the States for the fiscal year 1938 for similar purposes.

Services to crippled children.

49 Stat. 631.  
42 U. S. C., Supp.  
III, §§ 711-715.

49 Stat. 1350.

Grants to States for child-welfare services, Social Security Act: For an additional amount for grants to States for the purpose of enabling the United States, through the Children's Bureau, to cooperate with State public-welfare agencies in establishing, extending,

Child-welfare services.

49 Stat. 633.  
42 U. S. C., Supp.  
III, § 721.

49 Stat. 1350.

and strengthening public-welfare services for the care of homeless or neglected children, or children in danger of becoming delinquent, as authorized in title V, part 3, of the Social Security Act, approved August 14, 1935 (49 Stat. 633), to complete payment of allotments made to the several States for the fiscal year 1937 in excess of the amount appropriated under this head in the Department of Labor Appropriation Act, 1937, as therein authorized, \$201,000, to remain available for payment of allotments made to the States for the fiscal year 1938 for similar purposes.

Navy Department.

Office of the Secretary.

Collision damage claims.

42 Stat. 1066.  
34 U. S. C. § 509.

Navy Band, attendance at Chester, Pa., and Salem, N. J.

Bureau of Navigation.

State marine schools.  
36 Stat. 1353.  
34 U. S. C. § 1121;  
Supp. III, § 1121.

50 Stat. 99.

Bureau of Engineering.

Repairs, etc., of machinery.

*Ante*, p. 230.

Bureau of Construction and Repair.

Construction and repair.

*Ante*, p. 231.

Bureau of Yards and Docks.

Public-works, etc., projects.

Navy Yards, etc.  
Boston, Mass.

## NAVY DEPARTMENT

### OFFICE OF THE SECRETARY

Claim for damages by collision with naval vessels: To pay claims for damages adjusted and determined by the Secretary of the Navy under the provisions of the Act entitled "An Act to amend the Act authorizing the Secretary of the Navy to settle claims for damages to private property arising from collisions with naval vessels", approved December 28, 1922, as fully set forth in Senate Document Numbered 194, and House Document Numbered 678, Seventy-fifth Congress, \$2,000.85.

For the necessary expenses of sending the Navy Band to Chester, Pennsylvania, and Salem, New Jersey, on the 29th and 30th of June, 1938, to participate in festivities in connection with the observance of the three-hundredth anniversary of the First Finnish settlements in America, \$1,500.

### BUREAU OF NAVIGATION

State marine schools, Act March 4, 1911: For an additional amount for maintenance and repair of the particular vessels loaned by the United States to certain States, and so forth, including the same objects specified under this head in the Naval Appropriation Act for the fiscal year 1938, \$30,000, to continue available until June 30, 1939.

### BUREAU OF ENGINEERING

Engineering: For an additional amount for repairs, preservation, and renewal of machinery, auxiliary machinery, and so forth, including the same objects specified under this head in the Naval Appropriation Act for the fiscal year 1939, \$1,750,000.

### BUREAU OF CONSTRUCTION AND REPAIR

Construction and repair: For an additional amount for designing naval vessels, and so forth, including the same objects specified under this head in the Naval Appropriation Act for the fiscal year 1939, \$1,750,000.

### PUBLIC WORKS, BUREAU OF YARDS AND DOCKS

Public Works, Bureau of Yards and Docks: Toward the following public-works and public utilities projects at a cost not to exceed the amount stated for each project, respectively, \$12,752,000, which amount, together with unexpended balances of appropriations heretofore made under this head, shall be disbursed and accounted for in accordance with existing law and shall constitute one fund:

Navy Yard, Boston, Massachusetts: Improvement of power plant, \$175,000; improvement of shipbuilding ways, \$250,000; replace shipway cranes, \$150,000; improvement of electric lines to water front, \$150,000; improvement of electric power circuits in shops, \$100,000; weight-handling and transportation equipment, \$67,000; extension of services to Pier Numbered 1, \$100,000; improvement of shop cranes, \$60,000.

Navy Yard, Charleston, South Carolina: Extension of services to water front, \$80,000; improvement of power plant, \$130,000; additional crane on north shipbuilding ways, \$50,000; portal crane for new quay wall, \$75,000; weight-handling and transportation equipment, \$54,000.

Charleston, S. C.

Navy Yard, Mare Island, California: Extension of services, paving and loading facilities, \$100,000; improvement of power plant, \$380,000; improvement of electric lines to water front, \$150,000; transportation equipment, \$65,000; improvement of electric power circuits in machine shop, \$75,000; drydock crane, \$150,000; floating crane, \$135,000.

Mare Island, Calif.

Navy Yard, New York, New York: Extension of drydock, numbered 4, \$400,000; improvement of power plant for battleship construction, \$285,000; addition to structural shop and accessories, \$1,367,000; extension of electric lines to water front, \$150,000; hammer-head crane for heavy duty, \$1,200,000; extension of crane runways over shipbuilding ways, \$215,000; improvement and extension of distributing systems, \$200,000; improvement of shop lighting, \$150,000; weight-handling and transportation equipment, \$55,000.

New York, N. Y.

Navy Yard, Norfolk, Virginia: Improvement of power plant, \$300,000; improvement of electric-distribution systems, \$150,000; extension of electric lines to water front, \$135,000; floating crane, \$100,000; extend boiler- and structural-shop building and accessories, \$500,000; weight-handling and transportation equipment, \$130,000; additional crane on Pier Numbered 3, \$175,000; improvement and extension of distributing systems, \$100,000; hammer-head crane for heavy duty, \$1,200,000; additional crane in structural shop, \$20,000; improvement of ventilation in foundry and structural shop, \$55,000; addition to foundry building and accessories, \$300,000.

Norfolk, Va.

Navy Yard, Philadelphia, Pennsylvania: Addition to machine-shop building and accessories, \$625,000; transportation and outside weight-handling equipment, \$200,000; improvement of electric distribution to water front, \$150,000.

Philadelphia, Pa.

Navy Yard, Portsmouth, New Hampshire: Improvement of shipbuilding ways, \$370,000; extension of services to shipbuilding ways and ship fitters' shop, \$50,000; addition to ship fitters' shop and accessories, \$492,000; alterations to ship fitters' shop, \$170,000; crane for handling weldments, \$25,000.

Portsmouth, N. H.

Navy Yard, Puget Sound, Washington: Graving drydock service and auxiliary construction, \$4,500,000; improvement of power plant, \$450,000; improvement of shipbuilding dock, \$100,000; addition to foundry building and accessories, \$300,000; improvement of primary electric-distribution system, \$300,000; extension of electric lines to pier 6, \$150,000; weight-handling and transportation equipment, \$60,000.

Puget Sound, Wash.

Navy Yard, Washington, District of Columbia: Improvement of power plant, \$415,000; improve electric distribution in shops, \$100,000.

Washington, D. C.

Naval Training Station, San Diego, California: Extension of sewers and drainage systems of the naval training station and Marine Corps base, \$180,000.

San Diego, Calif.

Naval Proving Ground, Dahlgren, Virginia: Purchase of land for safety zones, \$22,000; quarters for officers and accessories, \$100,000.

Dahlgren, Va.

Naval Ammunition Depot, Hawthorne, Nevada: Ammunition-storage facilities, \$492,000.

Hawthorne, Nev.

Model testing plant: To complete the model testing plant authorized by the Act approved May 6, 1936 (49 Stat. 1263, 1264), exclusive of any buildings or facilities for testing other than surface and subsurface craft, \$500,000.

Model testing plant.  
49 Stat. 1263.  
5 U. S. C., Supp.  
III, § 430a.

Public Works, Bureau of Yards and Docks: Toward the following public-works and public utilities projects at a cost not to exceed the

Additional public-works, etc., projects.

amount stated for each project, respectively, \$3,500,000, which amount, together with unexpended balances of appropriations heretofore made under this head, shall be disbursed and accounted for in accordance with existing law and shall constitute one fund:

Mare Island, Calif.

Navy Yard, Mare Island, California: Paint shop building and accessories, \$175,000; machine shop building and accessories, \$1,800,000;

Philadelphia, Pa.

Navy Yard, Philadelphia, Pennsylvania: Structural assembly shop building and accessories, \$630,000; pipe and copper shop building and accessories, \$750,000; pickling plant, building and accessories, \$120,000; and

Washington, D. C.

Navy Yard, Washington, District of Columbia: Gun assembly shop building and accessories, \$1,400,000; ordnance storehouse and accessories, \$365,000.

Bureau of Aeronautics.

#### BUREAU OF AERONAUTICS

Aviation, Navy.

Aviation, Navy: For an additional amount for navigational, photographic, aerological, radio, and miscellaneous equipment, and so forth, fiscal year 1938, including the same objects specified under this head in the Naval Appropriation Act for the fiscal year 1938, \$2,000,000: *Provided*, That \$1,518,000 of this appropriation, and not to exceed \$1,000,000 of the appropriation "Aviation, Navy, 1938", contained in the Naval Appropriation Act for the fiscal year 1938, shall continue available until September 30, 1938.

50 Stat. 111.  
*Proviso.*  
Availability of funds.  
50 Stat. 111.

Construction of rigid airship, etc.

Aviation, Navy: For an additional amount for navigational, photographic, aerological, radio, and miscellaneous equipment, and so forth, and for the commencement of the construction of a rigid airship to cost not to exceed \$3,000,000, in accordance with the provisions of section 6 of the Naval Expansion Act, approved May 17, 1938 (Public, Numbered 528, Seventy-fifth Congress), fiscal year 1939, including the same objects specified under this head in the Naval Appropriation Act for the fiscal year 1939, \$3,875,000.

*Ante*, p. 402.

*Ante*, p. 239.

Marine Corps.

#### MARINE CORPS

General expenses.

General expenses: For additional amounts under each of the following subheads of the appropriation "General Expenses, Marine Corps, 1938", including the same objects respectively specified under each of such subheads in the Naval Appropriation Act for the fiscal year 1938:

50 Stat. 113.

For clothing for enlisted men, \$250,000;

For fuel, and so forth, \$30,000;

For military supplies and equipment, and so forth, \$50,000;

For repairs and improvements to barracks, and so forth, \$70,000;

For miscellaneous supplies, and so forth, \$165,000;

In all, \$565,000.

Marine Band, expenses.

Expenses Marine Band at observance of the seventy-fifth anniversary of the Battle of Gettysburg: For expenses of the United States Marine Band in attending the observance of the seventy-fifth anniversary of the Battle of Gettysburg, at Gettysburg, Pennsylvania, on July 1, 2, and 3, 1938, as authorized by the Act approved May 9, 1938 (Public, Numbered 501, Seventy-fifth Congress), fiscal years 1938 and 1939, \$1,500.

*Ante*, p. 343.

Expenses Marine Band at the observance of the United Confederate Veterans' Reunion at Columbia, South Carolina, and at the National Encampment of the Grand Army of the Republic at Des Moines, Iowa: For expenses of the United States Marine Band in attending the observance of the United States Confederate Veterans' Reunion to be held at Columbia, South Carolina, August 30 to September 2, 1938, and in attending the observance of the National Encampment of the Grand Army of the Republic to be held at Des Moines, Iowa, September 4 to 8, 1938, authorized by the Acts approved June <sup>1</sup>,

*Ante*, pp. 821, 695.

<sup>1</sup> So in original.

1938, and June <sup>1</sup>, 1938, respectively: *Provided*, That only so much of this appropriation shall be available as may be authorized to be appropriated by the enactment into law of either or both of the aforesaid acts, fiscal year 1939, \$11,750.

*Proviso.  
Limitation.*

#### REPLACEMENT OF NAVAL VESSELS

Construction and machinery: On account of hulls and outfits of vessels and machinery of vessels heretofore authorized (and appropriated for in part), and for the commencement of the following vessels authorized by the Act approved March 27, 1934 (48 Stat. 503-505), two battleships, \$4,200,000, to remain available until expended, including the same objects and under the same conditions and limitations prescribed under this head in the Naval Appropriation Act for the fiscal year 1938.

Replacement of naval vessels.  
Construction and machinery.

48 Stat. 503.

50 Stat. 114.

Armor, armament, and ammunition: Toward the armor, armament, and ammunition for vessels hereinbefore described under the head of "Construction and Machinery", \$800,000, to remain available until expended, including the same objects and under the same conditions and limitations prescribed under this head in the Naval Appropriation Act for the fiscal year 1938.

Armor, armament, and ammunition.

50 Stat. 114.

Construction and machinery: For an additional amount on account of hulls and outfits of vessels and machinery of vessels heretofore authorized (and appropriated for in part), and for the commencement of the following vessels authorized by the Act approved May 17, 1938 (Public, Numbered 528, Seventy-fifth Congress), one aircraft carrier, two cruisers of subcategory (b), one destroyer tender, one large seaplane tender, two small seaplane tenders, two oil tankers, one minelayer, one minesweeper, two fleet tugs, and a program of experimental small vessels, \$9,500,000, to remain available until expended, including the same objects and under the same conditions and limitations prescribed under this head in the Naval Appropriation Act for the fiscal year 1939.

Construction and machinery.

*Ante*, p. 401.

*Ante*, p. 242.

Armor, armament, and ammunition: For an additional amount toward the armor, armament, and ammunition for vessels described in the preceding paragraph under the head "Construction and Machinery", \$1,550,000, to remain available until expended, including the same objects and under the same conditions and limitations prescribed under this head in the Naval Appropriation Act for the fiscal year 1939.

Armor, armament, and ammunition.

*Ante*, p. 242.

### POST OFFICE DEPARTMENT

#### OUT OF THE POSTAL REVENUES

##### OFFICE OF THE POSTMASTER GENERAL

Personal property or damage claims: The unexpended balance of the appropriation for the payment of personal or property damage claims, 1936, is hereby made available for the payment of claims accruing in subsequent fiscal years.

Post Office Department.

Office of the Postmaster General.

Damage claims.  
49 Stat. 237.

##### OFFICE OF FIRST ASSISTANT POSTMASTER GENERAL

Clerks, first- and second-class offices: For an additional amount for compensation to clerks and other employees at first- and second-class post offices, including auxiliary clerk hire at summer and winter post offices, printers, mechanics, skilled laborers, watchmen, messengers, laborers, and substitutes, fiscal year 1938, the sum of \$500,000 is hereby transferred from the appropriation "Foreign Mail Transportation, 1938" and \$2,000,000 from the appropriation "Railroad Transportation and Mail Messenger Service, 1938".

First Assistant Postmaster General.

Clerks, etc., first- and second-class offices.

Sum transferred.  
50 Stat. 159.

<sup>1</sup> So in original.

## Special-delivery fees.

Special-delivery fees: For fees to special-delivery messengers for the fiscal years that follow:

49 Stat. 1849.

For 1937, the sum of \$157,000 is transferred from the appropriation "Foreign Mail Transportation, 1937";

50 Stat. 158.

For 1938, the sum of \$300,000 is transferred from the appropriation "Compensation to Postmasters, 1938".

Second Assistant  
Postmaster General.

## OFFICE OF SECOND ASSISTANT POSTMASTER GENERAL

Star Route Service.  
*Ante*, p. 148.

Star Route Service: The sum of \$150,000 is hereby transferred from the appropriation "Railroad Transportation and Mail Messenger Service, 1939", to "Star Route Service, 1939", to be available for the same objects specified under this latter head in the Post Office Department Appropriation Act, 1939, including the transportation of mail by aircraft within the limitations prescribed by section 6 of the Act approved April 15, 1938.

*Ante*, p. 219.

Foreign mail transportation.

Foreign mail transportation: For an additional amount for transportation of foreign mails by steamship, aircraft, or otherwise, including the same objects specified under this head in the Post Office Department Appropriation Act, 1935, \$6,412.08, to be paid from funds available to the United States Maritime Commission which are hereby made available therefor.

48 Stat. 446.

Air mail transportation, Seattle, Wash., to Juneau, Alaska.

*Ante*, p. 144.

Not to exceed \$100,000 of the appropriation for "Foreign Mail Transportation, 1939", contained in the Post Office Department Appropriation Act, 1939, is hereby made available for payment for transportation of mail by aircraft from Seattle, Washington, to Juneau, Alaska, and return, and for other expenses authorized by law pertaining thereto: *Provided*, That the limitation in such Act with respect to obligations for the fiscal year 1940 for carrying foreign mails by aircraft is hereby increased by \$200,000.

*Proviso.*  
Limitation increased.

Contract air-mail service.

Contract air-mail service: For inland transportation of mail by aircraft, including the same objects specified under this head in the Post Office Department Appropriation Acts for the fiscal years that follow:

49 Stat. 239.

For 1936, the sum of \$78,500 is transferred from the appropriation "Foreign Mail Transportation, 1936";

49 Stat. 1849.

For 1937, the sum of \$44,000 is transferred from the appropriation "Foreign Mail Transportation, 1937";

Experimental air mail services.

Not to exceed \$100,000 of the appropriation "Contract Air Mail Service, 1939", contained in the Post Office Department Appropriation Act, 1939, is hereby made available to provide for and supervise experimental services in connection with the transportation of mail by air, and so forth, as authorized by section 1 of the Act approved April 15, 1938.

*Ante*, p. 144.

*Ante*, p. 218.

Third Assistant  
Postmaster General.

## OFFICE OF THIRD ASSISTANT POSTMASTER GENERAL

Manufacture, etc., of stamps and stamped paper.

50 Stat. 160.

Manufacture and distribution of stamps and stamped paper: The sum of \$375,000 is hereby transferred from the appropriation "Rural Delivery Service, 1938" to the appropriation "Manufacture and distribution of stamps and stamped paper, 1938".

Fourth Assistant  
Postmaster General.

## OFFICE OF THE FOURTH ASSISTANT POSTMASTER GENERAL

Pneumatic-tube service, New York City.

Pneumatic-tube service, New York City: For rental of not exceeding twenty-eight miles of pneumatic tubes, hire of labor, communication service, electric power, and other expenses for transmission of mail in the city of New York including the Borough of Brooklyn, fiscal year 1939, \$561,838: *Provided*, That not to exceed \$7,300 of this sum shall be available toward the cost of the relocation of the pneumatic-tube line and machinery incidental to removal of the post-office

*Provisos.*  
Relocation expenses.

station from Varick Street to Canal Street: *Provided further*, That the provisions of the Acts of April 21, 1902, May 27, 1908, and June 19, 1922 (39 U. S. C. 423), relating to contracts for the transmission of mail by pneumatic tubes or other similar devices shall not be applicable hereto.

Provisions not applicable.  
32 Stat. 114; 35 Stat. 412; 42 Stat. 651.  
39 U. S. C. § 423.

## DEPARTMENT OF STATE

Department of State.

### OFFICE OF SECRETARY OF STATE

Office of Secretary.

**Salaries:** For an additional amount for salaries, Department of State, subject to the limitations specified under this head in the Department of State Appropriation Act, 1939, fiscal year 1939, \$66,000.

Salaries.

*Ante*, p. 248.

### CONTINGENT EXPENSES, DEPARTMENT OF STATE

For an additional amount for contingent expenses, Department of State, including the same objects specified under this head in the Department of State Appropriation Act, 1938, fiscal year 1938, to remain available until June 30, 1939, \$31,750, of which amount there may be expended not to exceed \$1,500 for the purchase of typewriters, adding machines, and other labor-saving devices, including their exchange, and not to exceed \$7,500 for expenses of attendance at meetings concerned with the work of the Department of State when authorized by the Secretary of State.

Contingent expenses.

50 Stat. 262.

Labor - saving devices.

Attendance at meetings.

### FOREIGN INTERCOURSE

Foreign intercourse.

**Contingent expenses, Foreign Service:** The unexpended balance of the allocation of not to exceed \$42,000 for remodeling and altering, including equipment of, the United States Legation building in Praha (Prague), Czechoslovakia, contained in the appropriation "Contingent expenses, Foreign Service, 1938", is continued available for the same purposes until June 30, 1939.

Legation building, Prague, remodeling, etc.

50 Stat. 266.

**Foreign Service buildings fund:** The unexpended balance of the appropriation for the Foreign Service buildings fund contained in the Second Deficiency Appropriation Act, fiscal year 1935, is made available for the erection and initial furnishing of a residence building on the Government-owned site at Rio de Janeiro, Brazil, and such unexpended balance is also made available for the purpose of carrying into effect the provisions of the Foreign Service Buildings Act, 1926, as amended (22 U. S. C. 292-299), and for each and every object thereof, including the initial alterations, repairs, and furnishing of buildings heretofore acquired under specific authorization of Congress for the use of the diplomatic and consular establishments in foreign countries at such foreign capitals or other foreign cities, in addition to those specified in the appropriation or in substitution therefor, as may be determined by the Foreign Service Buildings Commission.

Foreign Service buildings fund.

49 Stat. 590.

44 Stat. 403.  
22 U. S. C. §§ 292-299.

**Emergencies arising in the Diplomatic and Consular Service, 1938:** The unexpended balance of the appropriation "Emergencies arising in the Diplomatic and Consular Service, 1938", contained in the Third Deficiency Appropriation Act, fiscal year 1937, is continued available for the same purposes until June 30, 1939.

Emergencies, Diplomatic and Consular Service, 1938.

50 Stat. 770.

**Waterways treaty, United States and Great Britain:** Special and technical investigations: For an additional amount for waterways treaty, United States and Great Britain, fiscal year 1939, for necessary special or technical investigations in connection with matters which fall within the scope of the jurisdiction of the International Joint Commission, including personal services in the District of

Waterways treaty, United States and Great Britain.  
*Ante*, p. 257.



Columbia, or elsewhere, traveling expenses, procurement of technical and scientific equipment, and the purchase, exchange, hire, maintenance, repair, and operation of motor-propelled and horse-drawn passenger-carrying vehicles, \$10,000, to be disbursed under the direction of the Secretary of State, who is authorized to transfer to any department or independent establishment of the Government, with the consent of the head thereof, any part of this amount for direct expenditure by such department or establishment for the purposes of this appropriation.

**Pan-American Highway.**

51 Stat. 152.

**International Conference for Regulation of Whaling.**

5 U. S. C. §§ 631-652, 661-674; Supp. III, §§ 673, 673c.  
Contract services.

R. S. § 3709.  
41 U. S. C. § 5.

**Reimbursement of other appropriations.**

**Commission of Experts on the Codification of International Law, Lima, Peru.**

5 U. S. C. §§ 631-652, 661-674; Supp. III, §§ 673, 673c.  
Contract services.

R. S. § 3709.  
41 U. S. C. § 5.

**Reimbursement of other appropriations.**

**Tenth International Congress of Military Medicine and Pharmacy.**

5 U. S. C. §§ 631-652, 661-674; Supp. III, §§ 673, 673c.  
Contract services.

**Pan-American Highway:** To meet such expenses as the President in his discretion may deem necessary to enable the United States to collaborate with the several governments, members of the Pan-American Union, in regard to the proposed Pan-American Highway, as authorized by the convention ratified by the United States, July 15, 1937, \$50,000, fiscal year 1939, to be immediately available; the expenditure of such sum shall be subject to the receipt of assurances satisfactory to the President from such governments of their cooperation as provided in said convention, but no part of such sum shall be expended except for engineering advice and assistance.

**International Conference for Regulation of Whaling:** For the expenses of participation by the United States in the International Conference for Regulation of Whaling, to be held at London, England, in 1938, and in the preliminary conversations at Oslo, Norway, including personal services in the District of Columbia and elsewhere, without regard to the civil-service laws and the Classification Act of 1923, as amended; stenographic reporting and other services by contract if deemed necessary, without regard to section 3709 of the Revised Statutes (41 U. S. C. 5); rent; traveling expenses; local transportation; printing and binding; official cards; purchase of necessary books, documents, newspapers, maps, and periodicals; stationery; entertainment; and such other expenses as the Secretary of State may authorize, including the reimbursement of other appropriations from which payments may have been made for any of the purposes herein specified, fiscal year 1938, to remain available until December 31, 1938, \$5,000.

**Commission of Experts on the Codification of International Law, Lima, Peru:** For the expenses of participation by the United States in the meeting of the Commission of Experts on the Codification of International Law, to be held at Lima, Peru, in 1938, including personal services in the District of Columbia or elsewhere, without regard to the civil-service laws and the Classification Act of 1923, as amended; stenographic reporting, translating, and other services, by contract if deemed necessary without regard to section 3709 of the Revised Statutes (41 U. S. C. 5); rent; traveling expenses; hire, maintenance, and operation of motor-propelled passenger-carrying vehicles; equipment; purchase of necessary books, documents, newspapers, periodicals, and maps; stationery; official cards; entertainment; printing and binding; and such other expenses as may be authorized by the Secretary of State, including the reimbursement of other appropriations from which payments may have been made for any of the purposes herein specified, to be expended under the direction of the Secretary of State, fiscal years 1938 and 1939, \$3,600.

**Tenth International Congress of Military Medicine and Pharmacy:** For the expenses of organizing and holding the Tenth International Congress of Military Medicine and Pharmacy in the United States in 1939, including personal services in the District of Columbia and elsewhere, without regard to the civil-service laws and the Classification Act of 1923, as amended; communication services; stenographic reporting, translating, and other services by contract if deemed necessary,

without regard to section 3709 of the Revised Statutes (41 U. S. C. 5); travel expenses; local transportation; hire of motor-propelled passenger-carrying vehicles; transportation of things; rent in the District of Columbia and elsewhere; printing and binding; including the payment of not to exceed \$500 to the Association of Military Surgeons of the United States toward the cost of printing the report of the American Delegation to the Tenth Congress; entertainment; official cards; purchase of newspapers, periodicals, books, and documents; stationery; membership badges; expenses which may be actually and necessarily incurred by the Government of the United States by reason of observance of appropriate courtesies in connection therewith, and such other expenses as may be authorized by the Secretary of State, including the reimbursement of other appropriations from which payments may have been made for any of the purposes herein specified during the fiscal year 1938, fiscal year 1939, \$50,000, to remain available until January 31, 1940.

**International Committee on Political Refugees:** For the expenses of participation by the United States in the International Committee on Political Refugees, including personal services in the District of Columbia and elsewhere without regard to the civil-service laws and regulations or the Classification Act of 1923, as amended; stenographic reporting, translating, and other services by contract if deemed necessary, without regard to section 3709 of the Revised Statutes (41 U. S. C. 5); rent; traveling expenses; purchase of necessary books, documents, newspapers, and periodicals; stationery; equipment; official cards; printing and binding; entertainment; and such other expenses as may be authorized by the Secretary of State, including the reimbursement of other appropriations from which payments may have been made for any of the purposes herein specified, \$50,000, to remain available until June 30, 1939: *Provided*, That no salary shall be paid hereunder at a rate in excess of \$10,000 per annum.

**Payment to Norwegian Government:** For payment to the Norwegian Government for the account of the crew of the Norwegian steamer Sagatind, as authorized by and in accordance with the Act, approved May 13, 1938, fiscal year 1938, \$5,000.

**Fourth International Conference on Private Air Law:** For the expenses of participation by the United States in the Fourth International Conference on Private Air Law, to be held in Belgium, or elsewhere in Europe, during the fiscal year 1939, as authorized by and in accordance with the public resolution of May 13, 1938, \$15,500, to remain available until June 30, 1939.

**Third Pan-American Highway Conference:** For the expenses of participation by the United States in the Third Pan-American Highway Conference, to be held in Chile during the fiscal year 1939, as authorized by and in accordance with the public resolution of May 20, 1938, fiscal year 1939, \$15,000.

**Reappropriations:** The unexpended balances of the appropriations "International Monetary and Economic Conference, 1933-1938", and "General Disarmament Conference, Geneva, Switzerland, 1933-1938", contained in the Second Deficiency Appropriation Act, fiscal year 1937, are continued available for the same purposes respectively until June 30, 1939.

The unexpended balance of the appropriation "Conference to Revise the Convention for the Protection of Literary and Artistic Works, Brussels, Belgium, 1936-1938", contained in the Second Deficiency Appropriation Act fiscal year 1937, is continued available for the same purposes until June 30, 1939.

The unexpended balance of the appropriation "Conference on Oil Pollution of Navigable Waters, Geneva, Switzerland, 1936-1938",

R. S. § 3709.  
41 U. S. C. § 5.

Printing and binding.  
Report of American delegation.

Reimbursement of other appropriations.

International Committee on Political Refugees.

5 U. S. C. §§ 631-652, 661-674; Supp. III, §§ 673, 673c.  
Contract services.  
R. S. § 3709.  
41 U. S. C. § 5.

Reimbursement of other appropriations.

*Proviso.*  
Salary limitation.

Payment to Norwegian Government.

*Ante*, p. 350.

Fourth International Conference on Private Air Law.

*Ante*, p. 350.

Third Pan-American Highway Conference.

*Ante*, p. 408.

Reappropriations.  
International conferences.

50 Stat. 228.

Conference to Revise the Convention for the Protection of Literary and Artistic Works, etc.  
50 Stat. 228.

Conference on Oil Pollution of Navigable Waters.

50 Stat. 229.  
Telecommunication  
Conference.  
50 Stat. 770.

Commission to Study  
the Subject of Hernan-  
do de Soto's Expedi-  
tion.  
49 Stat. 1124, 1635.

Delaware Valley  
Tercentenary Com-  
mission.  
50 Stat. 272.  
*Ante*, p. 258.

Treasury Depart-  
ment.

Office of the Secre-  
tary.

Return to certain  
States of portions of  
Federal employers' tax  
for 1936.  
50 Stat. 754.  
42 U. S. C., Supp.  
III, § 1103 (note).

*Provisos.*  
Adjustment of funds  
credited to States, re-  
striction.

Amounts to be in  
full settlement.

Commodity Credit  
Corporation, restora-  
tion, capital impair-  
ment.

*Ante*, p. 107.

Coast Guard and  
Public Health Serv-  
ices, damage claims.

49 Stat. 1514.  
14 U. S. C., Supp.  
III, § 71.

contained in the Second Deficiency Appropriation Act, fiscal year 1937, is continued available for the same purposes until June 30, 1939.

The unexpended balance of the appropriation "Telecommunication Conference, Cairo, Egypt, 1937 and 1938", contained in the Third Deficiency Appropriation Act, fiscal year 1937, is continued available for the same purposes until December 31, 1938.

Not to exceed \$350 of the unexpended balance of the appropriation "Commission to Study the Subject of Hernando de Soto's Expedition" made in Public Act Numbered 440, approved February 11, 1936, and continued available until June 30, 1937, in Public Act Numbered 739, approved June 22, 1936, is hereby continued available for the same purposes until June 30, 1939.

The appropriation of \$10,000 for the United States Delaware Valley Tercentenary Commission, contained in the Department of State Appropriation Act, 1938, and continued available for the fiscal year 1939 by the Department of State Appropriation Act, 1939, may be expended, notwithstanding the provisions of any other Act, upon the certification of the President or Vice President of the Commission, which certification shall be final and conclusive upon the accounting officers in the auditing of all accounts of the United States Delaware Valley Tercentenary Commission.

## TREASURY DEPARTMENT

### OFFICE OF THE SECRETARY

Return to certain States of portions of Federal employers' tax for 1936: For carrying out the provisions of the Act of August 24, 1937 (50 Stat. 754), entitled "An Act to make available to each State which enacted in 1937 an approved unemployment-compensation law a portion of the proceeds from the Federal employers' tax in such State for the year 1936", \$40,561,886.43, to be paid to each such State unemployment fund, with respect to employment in such State or Territory during the calendar year 1936, as follows: Alaska, \$110,479.64; Arkansas, \$699,581.18; Delaware, \$676,683.16; Florida, \$1,595,820.77; Georgia, \$2,467,192.82; Hawaii, \$449,022.95; Illinois, \$20,814,013.81; Kansas, \$1,689,044.96; Missouri, \$6,394,668.20; Montana, \$650,697.20; Nebraska, \$1,330,835.90; Nevada, \$177,659.37; North Dakota, \$238,116.11; Washington, \$2,925,602.61; Wyoming, \$342,467.75: *Provided*, That no adjustment of funds credited to the various States or Territories under this appropriation shall be made on account of refunds to or additional tax collected subsequent to January 31, 1938, from employers who had employees within such States or Territories during the calendar year 1936 under the provisions of title IX of the Social Security Act: *Provided further*, That the amounts herein appropriated shall be in full and final settlement of any or all sums due under such Act.

Restoration, capital impairment, Commodity Credit Corporation: To enable the Secretary of the Treasury, on behalf of the United States, to restore the amount of the capital impairment of the Commodity Credit Corporation as of March 31, 1938, by a contribution to the Corporation as provided by the Act approved March 8, 1938 (Public, Numbered 442, Seventy-fifth Congress), \$94,285,404.73.

Claims for damages, operation of vessels, Coast Guard and Public Health Service: To pay claims for damages adjusted and determined by the Secretary of the Treasury under the provisions of the Act entitled "An Act to provide for the adjustment and settlement of certain claims for damages resulting from the operation of vessels of the Coast Guard and the Public Health Service, in sums not exceeding \$3,000 in any one case", approved June 15, 1936, as fully set forth

in Senate Document Numbered 192, and House Document Numbered 681, Seventy-fifth Congress, \$971.67.

## OFFICE OF CHIEF CLERK AND SUPERINTENDENT

Contingent expenses: For an additional amount for contingent expenses, Treasury Department, fiscal year 1938, including the same objects specified under this head in the Treasury Department Appropriation Act, 1938, \$10,000.

Office of Chief Clerk and Superintendent.

Contingent expenses.

50 Stat. 133.

## DIVISION OF PRINTING

Printing and binding: For an additional amount for printing and binding, Treasury Department, fiscal year 1938, including the same objects specified under this head in the Treasury Department Appropriation Act, 1938, and for the cost of transportation to field offices of printed and bound material, including the cost of necessary packing materials, \$157,600.

Division of Printing.

Printing and binding,  
Fiscal year 1938.

50 Stat. 139.

Printing and binding: For an additional amount for printing and binding, Treasury Department, fiscal year 1936, including the same objects specified under this head in the Treasury Department Appropriation Act, 1936, \$11,117.

Fiscal year 1936.

49 Stat. 220.

Stationery: For an additional amount for stationery for the Treasury Department, fiscal year 1938, including the same objects specified under this head in the Treasury Department Appropriation Act, 1938, \$99,400.

Stationery.

50 Stat. 139.

## PUBLIC DEBT SERVICE

Distinctive paper for United States securities: For an additional amount for distinctive paper for United States securities, fiscal year 1938, to remain available until June 30, 1939, including the same objects specified under this head in the Treasury Department Appropriation Act, 1938, \$100,000.

Public Debt Service.

Distinctive paper for United States securities.

50 Stat. 141.

## BUREAU OF CUSTOMS

Refunds and draw-backs: For an additional amount for refunds and draw-backs, Customs, fiscal year 1938, including the same objects specified under this head in the Treasury Department Appropriation Act, 1938, \$2,000,000.

Bureau of Customs.

Refunds and draw-backs.

50 Stat. 142.

## BUREAU OF THE BUDGET

Salaries and expenses: For an additional amount for salaries and expenses in the District of Columbia and in the field, including the same objects specified under this head in the Treasury Department Appropriation Act, 1939, and including not to exceed four positions at rates of pay to be fixed by the Director without regard to the Classification Act of 1923, as amended; rent in the District of Columbia and elsewhere; expenses of attendance at meetings when necessary in furthering the work of the Bureau of the Budget; not to exceed \$7,500 for the purchase (including one at not to exceed \$1,500), maintenance, repair, and operation, of passenger-carrying automobiles for official use; not to exceed \$5,000 for the temporary employment of persons or organizations, by contract or otherwise without regard to section 3709 of the Revised Statutes and without regard to the civil-service laws or the Classification Act of 1923, as amended, \$132,710.

Bureau of the Budget.

Salaries and expenses.

Ante, p. 126.

Vehicles.

R. S. § 3709.  
41 U. S. C. § 5.  
5 U. S. C. §§ 631-652, 661-674; Supp. III, §§ 673, 673c.

Printing and binding.

Printing and binding: Not to exceed \$1,000 of the appropriation for salaries and expenses, Bureau of the Budget, fiscal year 1938, may be transferred to the appropriation for printing and binding, Bureau of the Budget, fiscal year 1938.

Bureau of Internal Revenue.

Refunding internal-revenue collections.

45 Stat. 398.

*Proviso.*  
Detailed report to Congress of refunds.

45 Stat. 996.  
26 U. S. C. § 1676.

Refunding of processing taxes, salaries and expenses.

49 Stat. 1739, 1747.

50 Stat. 230.

Refunds and payments of processing and related taxes.

49 Stat. 1739, 1747.

48 Stat. 598, 1275;  
49 Stat. 782.

Tax stamps, redemption.

Unexpended balances available.

50 Stat. 230.

Refund of taxes collected under designated Acts.

48 Stat. 598, 1275; 49 Stat. 782.

*Provisos.*  
Claims for refunds.

Suits for refunds.

R. S. § 3226.  
26 U. S. C. § 1672.  
45 Stat. 874.  
Restriction on review of findings.

#### BUREAU OF INTERNAL REVENUE

Refunding internal-revenue collections: For an additional amount for refunding internal-revenue collections, as provided by law, including the payment of claims for the fiscal year 1938 and prior years and accounts arising under "Allowance or draw-back (Internal Revenue)", "Redemption of stamps (Internal Revenue)", "Refunding legacy taxes, Act of March 30, 1928", and "Repayment of taxes on distilled spirits destroyed by casualty", \$2,500,000: *Provided*, That a report shall be made to Congress by internal-revenue districts and alphabetically arranged of all disbursements hereunder in excess of \$500 as required by section 3 of the Act of May 29, 1928 (26 U. S. C. 1676), including the names of all persons and corporations to whom such payments are made together with the amount paid to each.

Salaries and expenses, refunding of processing taxes: Not to exceed \$4,200,000 of the unexpended balance of the funds transferred to the Treasury Department from the appropriation "Exportation and domestic consumption of agricultural commodities, Department of Agriculture, 1936", and made available for the fiscal year 1938 for the purpose of providing for the salaries and administrative expenses of the Treasury Department in making refunds and payments of processing and related taxes, as authorized by titles IV and VII of the Revenue Act of 1936, is hereby continued available during the fiscal year 1939 for the same purpose, including the same objects specified under this head in the Second Deficiency Appropriation Act, fiscal year 1937.

Refunds and payments of processing and related taxes: For refunds and payments of processing and related taxes as authorized by titles IV and VII, Revenue Act of 1936, for refunds of taxes erroneously, illegally, or otherwise wrongfully collected, under the Cotton Act of April 21, 1934, as amended (48 Stat. 598), the Tobacco Act of June 28, 1934, as amended (48 Stat. 1275), and the Potato Act of August 24, 1935 (49 Stat. 782); and for redemption of tax stamps purchased under the aforesaid Tobacco and Potato Acts, fiscal year 1939, \$50,000,000, together with the unexpended balance of the funds made available to the Treasury Department for these purposes for the fiscal year 1938 by the Second Deficiency Appropriation Act, fiscal year 1937.

For the refunding, which is hereby authorized, in accordance with rules and regulations to be prescribed by the Commissioner of Internal Revenue with the approval of the Secretary of the Treasury, of all amounts collected by any collector of internal revenue as tax (including penalties and interest) under the Bankhead Cotton Act of 1934 (48 Stat. 598), as amended, the Kerr Tobacco Act (48 Stat. 1275), as amended, and the Potato Act of 1935 (49 Stat. 750), fiscal year 1939, so much of the appropriation in the immediately preceding paragraph as may be requisite is hereby made available for the purposes of and in accordance with the provisions of this paragraph: *Provided*, That no refund shall be made or allowed of any amount paid by or collected from any person as tax under such Acts, unless, after the date of the enactment of this Act, and prior to July 1, 1939, a claim for refund has been filed by such person: *Provided further*, That no refund shall be denied upon the ground that a proceeding to recover had become barred by the limitation provisions of such Acts, or by the provisions of section 3226, as amended, of the Revised Statutes, or by the provisions of section 608 of the Revenue Act of 1928: *Provided further*, That in the absence of fraud all findings of fact and conclusions of law of the Commissioner of Internal Revenue

upon the merits of any such claim for refund, and the mathematical calculations made in connection therewith, shall not be subject to review by any court or by any other officer, employee, or agent of the United States: *Provided further*, That no refund of any tax shall be made under this paragraph unless liability for the payment of such tax was satisfied by the payment of money: *Provided further*, That no interest shall be allowed in connection with any refund made under the authority of this paragraph: *Provided further*, That in the case of amounts paid as tax under the Bankhead Cotton Act of 1934 with respect to the ginning of cotton (a) refund shall be allowed to the ginner of the cotton only to the extent that the ginner has not shifted the burden of the tax by including it in any charge or fee for ginning, or by collecting it from the owner or owners of the cotton ginned, or in any manner whatsoever, and (b) refund shall be allowed to the owner or owners of the cotton at the time of ginning, to the extent that the amount of tax was shifted to such owner or owners by the cotton ginner and was not shifted by such owner or owners to other persons, and in such cases, but only for the purposes of this paragraph, the tax shall be considered to have been paid by the ginner to the United States for the account of such owner or owners. No part of the amount of any refund made under this paragraph in excess of 10 per centum of the amount of such refund shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such refund, and the same shall be unlawful, any contract to the contrary notwithstanding; and any person violating the provisions of this sentence shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

Condition.

Interest.

Refunds under  
Bankhead Cotton Act  
of 1934.  
48 Stat. 598.

Limitation on attor-  
ney's, etc., fees.

Penalty for viola-  
tion.

## COAST GUARD

Coast Guard.

Office of the Commandant: Not exceeding \$5,000 of the amount appropriated for "Pay and allowances, Coast Guard", in the Treasury Department Appropriation Act, 1938, may be transferred to the appropriation for "Salaries, Office of Coast Guard, 1938".

Office of the Com-  
mandant.

50 Stat. 145.

Rebuilding and repairing stations: The unexpended balance of the appropriation under this head contained in the Second Deficiency Appropriation Act, fiscal year 1937, is hereby continued available for the same purposes until June 30, 1939.

Rebuilding and re-  
pairing stations.

50 Stat. 231.

Replacement airplanes and equipment: The appropriation of \$363,500 for replacement airplanes and their equipment, including radio equipment, spare parts, and accessories, contained in the Treasury Department Appropriation Act, 1938, is hereby continued available until June 30, 1939, and the appropriation of \$270,000 under this head in the Treasury Department Appropriation Act, 1939, is hereby made immediately available.

Replacement air-  
planes and equip-  
ment.

50 Stat. 146.

Ante, p. 130.

Air station, Elizabeth City, North Carolina: For establishing and equipping a Coast Guard air station at Elizabeth City, North Carolina, \$540,000, to remain available until June 30, 1939.

Air stations.  
Elizabeth City,  
N. C.

San Francisco, Calif.

Air station, San Francisco, California: For establishing and equipping a Coast Guard air station at the San Francisco Airport on the west shore of San Francisco Bay, twelve miles south of San Francisco, California, \$600,000, to remain available until June 30, 1939.

Additional airplanes: For additional airplanes and their equipment, including radio equipment, spare parts, and accessories, to be constructed or purchased in the discretion of the Secretary of the Treasury, for the foregoing stations, one-half of the number of each type of planes procured hereunder to be assigned to each station, \$654,000, to remain available until June 30, 1939.

Additional air-  
planes.

Bureau of Engraving and Printing.

Salaries and expenses.

50 Stat. 147.

*Ante*, p. 131.

#### BUREAU OF ENGRAVING AND PRINTING

Salaries and expenses: For an additional amount for salaries and expenses, Bureau of Engraving and Printing, including the same objects specified under this head in the Treasury Department Appropriation Acts for the following fiscal years:

For 1938, \$500,000;

For 1939, \$1,000,000.

Public Health Service.

Division of Venereal Diseases.

*Ante*, p. 439.

#### PUBLIC HEALTH SERVICE

Division of Venereal Diseases: For an additional amount for the maintenance and expenses of the Division of Venereal Diseases, for the purpose of carrying out the provisions of the Act of May 24, 1938 (Public, Numbered 540, Seventy-fifth Congress), including rent and personnel and other services in the District of Columbia and elsewhere; items otherwise properly chargeable to the appropriations for printing and binding, stationery, and miscellaneous and contingent expenses for the Treasury Department; purchase of reports, documents, and other material for publication and of reprints from State, city, and private publications; purchase (not to exceed \$1,500), maintenance, repair, and operation of passenger-carrying automobiles for official use in field work; transportation; traveling expenses, including attendance at public meetings when directed by the Surgeon General; and the packing, crating, drayage, and transportation of personal effects of commissioned officers, scientific personnel, pharmacists, administrative assistants, aides, dietitians, and nurses of the Public Health Service upon permanent change of station, fiscal year 1939, \$3,000,000: *Provided*, That this appropriation shall be available for the pay and allowances of not to exceed twenty commissioned officers.

*Proviso.*  
Availability for pay, etc., of commissioned officers.

Injured emergency relief workers, medical, etc., services.

*Ante*, p. 809.

Community sanitation, etc.

The Administrator of the Works Progress Administration is authorized to allocate during the fiscal year 1939 to the Public Health Service, Treasury Department, with the approval of the Director of the Bureau of the Budget, from the funds appropriated by section 1 of the Emergency Relief Appropriation Act of 1938, not to exceed \$400,000 for expenses of the Public Health Service (including personal and other services in the District of Columbia and elsewhere) in furnishing through its facilities medical, surgical, and hospital services to injured emergency relief workers, and not to exceed \$500,000 for expenses of the Public Health Service (including personal and other services in the District of Columbia and elsewhere) in furnishing technical supervision for community sanitation, malaria control drainage, and mine-sealing projects of the Works Progress Administration within the several States.

Procurement Division, Public Buildings Branch.

War Department Building, site and construction.

44 Stat. 630.  
40 U. S. C. § 341.

Limit of cost.

*Ante*, p. 816.

*Proviso.*  
Provisions not applicable.

#### PROCUREMENT DIVISION, PUBLIC BUILDINGS BRANCH

War Department Building: For the acquisition of land as a site for buildings for the War Department, and for the construction of the first building unit, under the provisions of the Public Buildings Act approved May 25, 1926 (44 Stat. 630), as amended, including the extension of steam and water mains, removal or diversion of such sewers and utilities as may be necessary, and for administrative expenses in connection therewith, \$3,000,000, within a total limit of cost of \$10,815,000; and such sum of \$3,000,000 is hereby made available from the appropriation of \$965,000,000 in section 201 (a) of the Public Works Administration Appropriation Act of 1938 and is hereby transferred to the Procurement Division, Treasury Department, for the purposes of this paragraph: *Provided*, That such sum of \$3,000,000 shall not be subject to any of the other provisions of such Act.

**Social Security Board and Railroad Retirement Board Buildings:** For the acquisition of the necessary land and the construction of buildings for the Social Security Board and the Railroad Retirement Board, under the provisions of the Public Buildings Act approved May 25, 1926 (44 Stat. 630), as amended, including connecting tunnels, the extension of steam and water mains, removal or diversion of such sewers and utilities as may be necessary, and for administrative expenses in connection therewith, \$3,000,000, within a total limit of cost of \$14,250,000; and such sum of \$3,000,000 is hereby made available from the appropriation of \$965,000,000 in section 201 (a) of the Public Works Administration Appropriation Act of 1938 and is hereby transferred to the Procurement Division, Treasury Department, for the purposes of this paragraph: *Provided*, That such sum of \$3,000,000 shall not be subject to any of the other provisions of such Act.

Social Security Board and Railroad Retirement Board Buildings, sites, construction, etc.

44 Stat. 630.  
40 U. S. C. § 341.

*Ante*, p. 816.

*Proviso.*  
Provisions not applicable.

Navy Department Building, addition.

44 Stat. 630.  
40 U. S. C. § 341.

Columbus, Miss., post office site.

*Ante*, p. 136.

49 Stat. 926.

Albert Gallatin Statue, Washington, D. C., site, etc.

50 Stat. 260.

Operating supplies, public buildings.

50 Stat. 153.

**Navy Department Building, Washington, District of Columbia:** For the construction of an additional story on each of two wings of the Navy Department Building, under the provisions of the Public Buildings Act approved May 25, 1926, as amended, including administrative expenses in connection therewith, \$210,000.

**Columbus (Mississippi) post-office site:** The appropriation "General administrative expenses, Public Buildings Branch, Procurement Division", contained in the Treasury Department Appropriation Act, 1939, is hereby made available for the payment in advance of rent for the site acquired for the proposed Federal building at Columbus, Mississippi, as authorized in the Act approved August 27, 1935.

**Albert Gallatin Statue, Washington, District of Columbia:** For the preparation of the site and erection of a pedestal for the statue of Albert Gallatin within the grounds of the Treasury Building, authorized by public resolution approved June 15, 1937 (50 Stat. 260), fiscal year 1939, \$10,000.

**Operating supplies, public buildings:** For an additional amount for operating supplies, fiscal year 1938, including the same objects specified under this head in the Treasury Department Appropriation Act, 1938, \$21,000.

## WAR DEPARTMENT

### MILITARY ACTIVITIES

#### SECRETARY OF WAR

**Educational orders:** For placing educational orders to familiarize private manufacturing establishments with the production of munitions of war of special or technical design, noncommercial in character, as authorized by law, fiscal year 1939, a sum or sums not exceeding a total of \$2,000,000 may be transferred from appropriations available for other Military Activities for fiscal year 1939 and not required for such activities and may be utilized for the purposes of this paragraph.

War Department.

Military activities.

Secretary of War.

Educational orders.  
*Ante*, p. 707.

#### QUARTERMASTER CORPS

**Subsistence of the Army:** For an additional amount for subsistence of the Army, including the same objects specified under this head in the Military Appropriation Act for the fiscal year 1938, \$1,921,875.

**Acquisition of land, Mitchel Field, New York:** For an additional amount for the acquisition of land in the vicinity of Mitchel Field, New York, as authorized by the Acts approved August 12, 1935 (49 Stat. 610), and July 1, 1937 (50 Stat. 452), \$500,000, to remain available until expended.

Quartermaster Corps.

Subsistence of the Army.

50 Stat. 448.

Mitchel Field, New York, acquisition of land.

49 Stat. 610; 50 Stat. 452.



West Point, N. Y.,  
acquisition of land.

46 Stat. 1491; 50 Stat.  
452.

#### Civil functions.

Office of Secretary  
of War.

Battle of Gettys-  
burg, anniversary ob-  
servance, expenses.

*Ante*, p. 354.

Authorized expend-  
itures.

Damage claims.

37 Stat. 586.  
5 U. S. C. § 208.

Corps of Engineers.

Louisville & Nash-  
ville Railroad Com-  
pany, damage claim.

41 Stat. 1015.  
33 U. S. C. § 564.

Flushing Bay, N. Y.

*Ante*, p. 669.

Flood control, Mis-  
sissippi River and  
tributaries.

*Ante*, p. 809.

*Ante*, p. 671.

*Proviso.*  
Conditional author-  
ization.

*Post*, p. 1220.

Judgments and au-  
thorized claims.

Property damage  
claims.

Payment of, not in  
excess of \$1,000.

Acquisition of land, West Point, New York: For an additional amount for the acquisition of land in the vicinity of West Point, New York, as authorized by the Acts approved March 3, 1931 (46 Stat. 1491), and July 1, 1937 (50 Stat. 452), \$300,000, to remain available until expended.

#### CIVIL FUNCTIONS

##### OFFICE OF SECRETARY OF WAR

Seventy-fifth anniversary of the Battle of Gettysburg: For an additional amount to carry out the provisions of the Act entitled "An Act to authorize an appropriation to aid in defraying the expenses of the observance of the seventy-fifth anniversary of the Battle of Gettysburg, to be held at Gettysburg, Pennsylvania, from June 29 to July 6, 1938, and for other purposes", approved May 16, 1938, fiscal year 1938, to remain available until June 30, 1939, \$286,943, which amount shall be available only for traveling and per diem expenses of veterans and their attendants, and for their food and shelter at Gettysburg.

Claims for damages to and loss of private property: To pay claims for damages adjusted and determined by the Secretary of War under the Act entitled "An Act making appropriations for the support of the Army for the fiscal year ending June 30, 1913, and for other purposes", approved August 24, 1912 (5 U. S. C. 208), as set forth in House Document Numbered 633, Seventy-fifth Congress, §986.

##### CORPS OF ENGINEERS

Claims for damages, river and harbor work: To pay claim for damages under river and harbor work adjusted and determined by the War Department under the provision of section 9 of the River and Harbor Act, approved June 5, 1920 (33 U. S. C. 564), as set forth in House Document Numbered 680, Seventy-fifth Congress, §1,051.

Flushing Bay, New York: For improvement in accordance with Senate Commerce Committee Document, Seventy-fifth Congress, third session, \$194,000, payable from the appropriation for rivers and harbors contained in the War Department Civil Appropriation Act, 1939.

Flood control, Mississippi River and tributaries: The Secretary of War, upon approval by the President, is authorized to transfer not to exceed a total of \$6,000,000 from the sum of \$18,000,000 made available by the War Department Civil Appropriation Act, 1939, from the appropriation in section 1 (1) of the Emergency Relief Appropriation Act of 1938, to the appropriation contained in such War Department Civil Appropriation Act, 1939, for "Flood control, Mississippi River and tributaries": *Provided*, That such authorization for transfer of funds shall not become effective unless and until there is enacted into law the provisions under the heading "Lower Mississippi River" contained in H. R. 10618, Seventy-fifth Congress, entitled "An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes".

#### TITLE II—JUDGMENTS AND AUTHORIZED CLAIMS

##### PROPERTY DAMAGE CLAIMS

SEC. 201. (a) For the payment of claims for damages to or losses of privately owned property, adjusted and determined by the following respective departments and independent offices, under the provisions of the Act entitled "An Act to provide a method for the settlement of claims arising against the Government of the United States in the sums not exceeding \$1,000 in any one case", approved

December 28, 1922 (31 U. S. C. 215-217), as fully set forth in House Document Numbered 682, except item numbered 12, page 10 of such document, being the claim of Walter N. Day, Seventy-fifth Congress, as follows:

42 Stat. 1066.  
31 U. S. C. §§ 215-217.

Veterans' Administration, \$18.75;  
Works Progress Administration, \$7,337.84;  
Department of Agriculture, \$3,763.11;  
Department of the Interior, \$5,243.16;  
Department of Justice, \$18.07;  
Department of Labor, \$499.35;  
Navy Department, \$1,883.83;  
Post Office Department (payable from postal revenues), \$1,698.55;  
Treasury Department, \$404.88;  
War Department, \$6,919.01;  
In all, \$27,786.55.

(b) For the payment of claims for damages to or losses of privately owned property, adjusted and determined by the following respective departments and independent offices, under the provisions of the Act entitled "An Act to provide a method for the settlement of claims arising against the Government of the United States in the sums not exceeding \$1,000 in any one case", approved December 28, 1922 (U. S. C., title 31, secs. 215-217), as fully set forth in Senate Documents Numbered 193 and 217 of the Seventy-fifth Congress as follows:

Private property  
damage claims.

42 Stat. 1066.  
31 U. S. C. §§ 215-217.

Works Progress Administration, \$723.35;  
Department of Agriculture, \$1,071.38;  
Department of Commerce, \$88;  
Department of the Interior, \$2,754.95;  
Treasury Department, \$119.76;  
War Department, \$1,961.65;  
Post Office Department (payable from postal revenues), \$124.97;  
In all, \$6,844.06.

#### JUDGMENTS, UNITED STATES COURTS

SEC. 202. (a) For payment of the final judgments and decrees, including costs of suits, which have been rendered under the provisions of the Act of March 3, 1887, entitled "An Act to provide for the bringing of suits against the Government of the United States", as amended by the Judicial Code, approved March 3, 1911 (28 U. S. C. 41, 258, 761-765), certified to the Seventy-fifth Congress in House Documents Numbered 666 and 685 under the following departments and establishments, namely:

Judgments, United  
States Courts.

24 Stat. 505.  
28 U. S. C. § 41,  
par. 20; §§ 258, 761-765.

Department of Agriculture, \$4,800;  
Department of the Interior, \$2,600;  
Treasury Department, \$1,683.81;

In all, \$9,083.81, together with such additional sum as may be necessary to pay interest and costs as specified in such judgments or as provided by law.

Interest.

(b) For the payment of judgments, including costs of suit, rendered against the Government of the United States by a United States district court under the provisions of an Act entitled "An Act authorizing suits against the United States in admiralty for damages caused by and salvage services rendered to public vessels belonging to the United States, and for other purposes", approved March 3, 1925 (46 U. S. C. 781-789), certified to the Seventy-fifth Congress in House Document Numbered 666, under the following departments:

Suits in admiralty.

43 Stat. 1112.  
46 U. S. C. §§ 781-790.

Navy Department, \$8,414.23;  
War Department, \$375;

Interest.	In all \$8,789.23, together with such additional sum as may be necessary to pay interest as specified in such judgments or as provided by law.
Judgments in special cases.	(c) For payment of judgments in special cases, including costs of suits, rendered against the Government of the United States by United States District Courts pursuant to authority contained in certain private Acts and certified to the Seventy-fifth Congress in House Documents Numbered 666 and 684, under the following departments, namely: Department of Agriculture, \$59,228.59; Department of Commerce, \$3,885.13; Navy Department, \$8,003.28; Treasury Department, \$11,609.50.
Interest.	In all, \$82,726.50, together with such additional sum as may be necessary to pay interest as specified in such judgments or as provided by law.
Time of payment.	(d) None of the judgments contained under this caption shall be paid until the right of appeal shall have expired except such as have become final and conclusive against the United States by failure of the parties to appeal or otherwise.
Interest.	(e) Payment of interest wherever provided for judgments contained in this Act shall not in any case continue for more than thirty days after the date of approval of the Act.

## JUDGMENTS, COURT OF CLAIMS

Judgments, Court of Claims.	SEC. 203. (a) For payment of the judgments rendered by the Court of Claims and reported to the Seventy-fifth Congress in Senate Document Numbered 191, and House Documents Numbered 661 and 686, under the following departments and establishments, namely: Arlington Memorial Bridge Commission, \$39,733.72; Veterans' Administration, \$12,289.70; Department of the Interior, \$9,822,411.69; Navy Department, \$42,422.43; Department of State, \$19,450; War Department, \$104,682.11;
Interest.	In all, \$10,040,989.65, together with such additional sum as may be necessary to pay interest as and where specified in such judgments, or as required under mandate of Supreme Court of the United States.
Time of payment.	(b) None of the judgments contained under this caption shall be paid until the right of appeal shall have expired, except such as have become final and conclusive against the United States by failure of the parties to appeal or otherwise.

## AUDITED CLAIMS

Audited claims.	SEC. 204. (a) For the payment of the following claims, certified to be due by the General Accounting Office under appropriations the balances of which have been carried to the surplus fund under the provisions of section 5 of the Act of June 20, 1874 (31 U. S. C. 713), and under appropriations heretofore treated as permanent, being for the service of the fiscal year 1935 and prior years, unless otherwise stated, and which have been certified to Congress under section 2 of the Act of July 7, 1884 (5 U. S. C. 266), as fully set forth in House Document Numbered 667, Seventy-fifth Congress, there is appropriated as follows:
18 Stat. 110. 31 U. S. C. § 713.	<b>Independent Offices:</b> For Federal Civil Works Administration, \$809.68.
23 Stat. 254. 5 U. S. C. § 266.	For national industrial recovery, Civil Works Administration, \$3,191.45.
Independent Offices.	

For national industrial recovery, office of special adviser to the President on foreign trade, \$84.06.

For Public Works Administration, allotment to National Resources Board, \$2.94.

For Public Works Administration, allotment to National Emergency Council, \$2.05.

For loans and relief in stricken agricultural areas (transfer to Farm Credit Administration), \$25.

For loans to farmers in drought- and storm-stricken areas, emergency relief, \$275.44.

For agricultural credits and rehabilitation, emergency relief, \$44.

For farmers' crop production and harvesting loans, Farm Credit Administration, \$136.51.

For Federal Trade Commission, \$1.25.

For operations under Mineral Act of October 5, 1918, \$15,126.26.

40 Stat. 1009.

For Army and Navy pensions, \$44.33.

For military and naval compensation, Veterans' Bureau, \$1,340.

For salaries and expenses, Veterans' Administration, \$1,647.31.

**Department of Agriculture:** For salaries and expenses, Extension Service, \$2.62.

Department of Agriculture.

For salaries and expenses, Weather Bureau, \$3.15.

For salaries and expenses, Bureau of Animal Industry, \$335.22.

For salaries and expenses, Bureau of Dairy Industry, \$1.

For salaries and expenses, Bureau of Plant Industry, \$1.67.

For salaries and expenses, Forest Service, \$118.71.

For salaries and expenses, Bureau of Agricultural Economics, \$20.78.

For salaries and expenses, Bureau of Biological Survey, \$26.51.

For migratory bird conservation refuges, \$1,195.66.

For salaries and expenses, Bureau of Chemistry and Soils, \$1.96.

For salaries and expenses, Bureau of Entomology and Plant Quarantine, \$6.51.

For grasshopper control, \$380.81.

For chinch bug control, Department of Agriculture, \$336.78.

For payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies (Agriculture), \$634.79.

For loans and relief in stricken agricultural areas (transfer to Agriculture), \$211.56.

For emergency conservation fund (transfer from War to Agriculture, Act March 31, 1933), \$496.30.

48 Stat. 22.

For emergency conservation fund (transfer from War to Agriculture, Act June 19, 1934), \$360.

48 Stat. 1055.

For national industrial recovery, Agricultural Adjustment Administration, \$27.60.

For national industrial recovery, Resettlement Administration, subsistence homesteads (transfer to Agriculture), \$4,108.36.

**Department of Commerce:** For air-navigation facilities, \$1,009.95.

Department of Commerce.

For party expenses, Coast and Geodetic Survey, \$7.88.

For Air Corps, Army (transfer to Commerce, Air Commerce), \$593.23.

For general expenses, Lighthouse Service, \$28.73.

**Department of the Interior:** For National Park Service, \$5.52.

Department of the Interior.

For general expenses, Office of Education, \$3.60.

For contingent expenses, Department of the Interior, \$13.77.

For Petroleum Administration (transfer to Interior), \$2.40.

For reindeer for Alaska, \$294.04.

For loans and relief in stricken agricultural areas (transfer from Agriculture to Interior, Indians), \$390.35.

- For emergency conservation fund (transfer from War to Interior, Indians, Act March 31, 1933), \$10.
- 48 Stat. 22. For emergency conservation fund (transfer from War to Interior, Indians, Act June 19, 1934), \$310.57.
- 48 Stat. 1055. For purchase and transportation of Indian supplies, \$22.58.
- For Indian school support, \$31.62.
- For Indian boarding schools, \$108.22.
- For support of Indians and administration of Indian property, \$58.16.
- For expenses, sale of timber (reimbursable), \$45.
- For conservation of health among Indians, \$138.85.
- For agriculture and stock raising among Indians, \$10.08.
- For pay of Indian police, \$2.78.
- For Indian school buildings, \$5.30.
- For Coolidge Dam across Canyon of Gila River near San Carlos, Arizona (reimbursable), \$35.56.
- For education of natives of Alaska, \$64.12.
- Department of Justice. **Department of Justice:** For salaries and expenses, Bureau of Prohibition, \$509.91.
- For salaries, fees, and expenses of marshals, United States courts, \$839.10.
- For contingent expenses, Department of Justice, \$1.77.
- For detection and prosecution of crimes, \$2.
- For fees of jurors and witnesses, United States courts, \$61.10.
- For pay of bailiffs, and so forth, United States courts, \$48.
- For miscellaneous expenses, United States courts, \$703.40.
- For support of United States prisoners, \$7.50.
- For salaries and expenses, Division of Investigation, Department of Justice, \$6.
- For United States Southwestern Reformatory, maintenance, \$33.33.
- For United States Industrial Reformatory, Chillicothe, Ohio, maintenance, 88 cents.
- Department of Labor. **Department of Labor:** For investigation of cost of living in the United States, \$1.20.
- Navy Department. **Navy Department:** For payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies (Navy), \$511.18.
- For miscellaneous expenses, Navy, \$100.38.
- For engineering, Bureau of Engineering, \$19,845.17.
- For pay, subsistence, and transportation, Navy, \$4,737.43.
- For pay of the Navy, \$796.96.
- For maintenance, Bureau of Supplies and Accounts, \$131.39.
- For general expenses, Marine Corps, \$3,125.34.
- For pay, Marine Corps, \$324.73.
- For aviation, Navy, \$41,712.12.
- For increase of the Navy, emergency construction, \$28,726.74.
- For prize money to captors Spanish War, \$1.13.
- Department of State. **Department of State:** For payment to officers and employees of the United States due to appreciation of foreign currencies (State), \$1,169.36.
- For transportation of Foreign Service officers, \$1,322.44.
- For salaries, Foreign Service clerks, \$1,194.82.
- For salaries, Foreign Service officers while receiving instructions and in transit, \$611.11.
- For contingent expenses, Foreign Service, \$1,195.44.
- For contingent expenses, United States consulates, \$1.21.
- For office and living quarters, Foreign Service, \$942.53.
- For salaries, Foreign Service officers, \$1,842.48.

For cost of living allowance, Foreign Service, \$609.17.

For printing and binding, Department of State, \$80.08.

**Treasury Department:** For payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies (Treasury), \$39.36. Treasury Department.

For collecting the revenue from customs, \$327.55.

For collecting the internal revenue, \$49.01.

For contingent expenses, Coast Guard, \$16.10.

For Coast Guard, \$649.30.

For pay and allowances, Coast Guard, \$229.97.

For suppressing counterfeiting and other crimes, \$1.50.

For pay of other employees, Public Health Service, \$1.

For pay of personnel and maintenance of hospitals, Public Health Service, \$25.36.

For field investigations of Public Health, \$46.67.

For general expenses of public buildings, Procurement Division, \$120.35.

For furniture and repairs of same for public buildings, Procurement Division, \$10.13.

For operating expenses, Treasury buildings, Procurement Division, \$21.24.

For mechanical equipment for public buildings, \$1.60.

For operating supplies for public buildings, 40 cents.

**War Department:** For pay, and so forth, of the Army, \$6,866.02. War Department.

For pay of the Army, \$2,303.65.

For mileage of the Army, \$68.

For Signal Service of the Army, \$20,116.47.

For construction and repair of hospitals, \$2,500.

For manufacture of arms, \$3.09.

For registration and selection for military service, \$60.

For medical and hospital department, \$41.75.

For replacing ordnance and ordnance stores, \$16.15.

For incidental expenses of the Army, \$160.80.

For payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies (War), \$201.43.

For arrears of pay, bounty, and so forth, \$31.12.

For extra pay to volunteers, War with Spain, \$26.

For pay, and so forth, of the Army, War with Spain, \$5.44.

For travel, military and civil personnel, War Department, \$294.90.

For seacoast defenses, \$195.36.

For working fund, War, Ordnance (Navy, increase of the Navy, emergency construction), \$9,829.03.

For increase of compensation, Military Establishment, \$2,063.82.

For National Guard, \$4,112.06.

For general appropriations, Quartermaster Corps, \$743.84.

For supplies, services, and transportation, Quartermaster Corps, \$25.08.

For arming, equipping, and training the National Guard, \$692.50.

For Organized Reserves, \$767.66.

For Army transportation, \$1,307.13.

For Reserve Officers' Training Corps, \$81.33.

For subsistence of the Army, \$6,233.86.

For barracks and quarters, \$393.62.

For regular supplies of the Army, \$2.60.

For claims of officers and men of the Army for destruction of private property, \$114.37.

For clothing and equipage, \$87.74.

	For replacing clothing and equipage, \$121.39.
	For ordnance service and supplies, Army, \$3,661.11.
	For citizens' military training camps, \$1.37.
	For national cemeteries, \$39.50.
	For cemeterial expenses, \$172.87.
48 Stat. 22.	For emergency conservation fund (transfer to War, Act March 31, 1933), \$4,743.24.
48 Stat. 1055.	For emergency conservation fund (transfer to War, Act June 19, 1934), \$15,169.92.
48 Stat. 1055.	For loans and relief in stricken agricultural areas (transfer from emergency conservation work to War, Act June 19, 1934), \$576.36.
Post Office Department.	<b>Post Office Department—Postal Service (out of the postal revenues):</b> For city delivery carriers, \$42.82.
	For clerks, first- and second-class post offices, \$905.84.
	For compensation to postmasters, \$78.80.
	For foreign mail transportation, \$2,535.47.
	For freight, express, or motor transportation of equipment, and so forth, \$4.75.
	For furniture, carpets and safes for public buildings, Post Office Department, \$8.10.
	For indemnities, domestic mail, \$24.50.
	For indemnities, international mail, \$109.66.
	For miscellaneous items, first- and second-class post offices, \$10.
	For railroad transportation and mail messenger service, \$14.78.
	For Railway Mail Service, salaries, \$410.44.
	For rent, light, and fuel, \$1,721.43.
	For Rural Delivery Service, \$5.30.
	For village delivery service, \$8.35.
	<b>Post Office Department (General Fund):</b> For operating supplies for public buildings, general fund, \$78.69.
Total; additional sum, increases in rates of exchange.	Total, audited claims, section 204 (a), \$236,717.03, together with such additional sum due to increases in rates of exchange as may be necessary to pay claims in the foreign currency as specified in certain of the settlements of the General Accounting Office.
Additional audited claims.	(b) For the payment of the following claims, certified to be due by the General Accounting Office under appropriations the balances of which have been carried to the surplus fund under the provisions of section 5 of the Act of June 20, 1874 (U. S. C., title 31, sec. 713), and under appropriations heretofore treated as permanent, being for the service of the fiscal year 1935 and prior years, unless otherwise stated, and which have been certified to Congress under section 2 of the Act of July 7, 1884 (U. S. C., title 5, sec. 266), as fully set forth in Senate Document Numbered 190, Seventy-fifth Congress, there is appropriated as follows:
18 Stat. 110. 31 U. S. C. § 713.	<b>Independent Offices:</b> For Federal Civil Works Administration, \$887.50.
23 Stat. 254. 5 U. S. C. § 266.	For national industrial recovery, Civil Works Administration, \$301.50.
	For farmers' crop production and harvesting loans, Farm Credit Administration, \$52.73.
	For medical and hospital services, Veterans' Bureau, \$28.04.
	For salaries and expenses, Veterans' Bureau, \$122.66.
	For salaries and expenses, Veterans' Administration, \$239.46.
Department of Agriculture.	<b>Department of Agriculture:</b> For salaries and expenses, Bureau of Animal Industry, \$12.35.
	For salaries and expenses, Bureau of Entomology and Plant Quarantine, \$1.15.
	For migratory bird conservation refuges, \$556.91.
	For grasshopper control, \$101.65.

For Emergency Conservation Fund (transfer from War to Agriculture, Act March 31, 1933), \$69.53.

48 Stat. 22.

For Emergency Conservation Fund (transfer from War to Agriculture, Act of June 19, 1934), \$27.42.

48 Stat. 1055.

For loans and relief in stricken agricultural areas (transfer to Agriculture), \$102.

For national industrial recovery, Agricultural Adjustment Administration, \$27.

For national industrial recovery, Resettlement Administration, subsistence homesteads (transfer to Agriculture), \$46.17.

**Department of Commerce:** For air-navigation facilities, \$49.96.

Department of Commerce.

For aircraft in commerce, \$8.91.

For expenses of the Fifteenth Census, \$53.43.

For protecting seal and salmon fisheries of Alaska, \$8.

For payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies (Commerce), \$161.59.

**District of Columbia:** For miscellaneous expenses, Supreme Court, District of Columbia, \$189.56.

District of Columbia.

**Department of the Interior:** For salaries and expenses, public buildings and grounds in the District of Columbia, National Park Service, \$19.36.

Department of the Interior.

For Geological Survey, \$14.49.

For general expenses, Office of Education, \$2.

For Petroleum Administration (transfer to Interior), \$49.41.

For purchase and transportation of Indian supplies, \$38.75.

For agriculture and stock raising among Indians, \$13.09.

For conservation of health among Indians, \$434.19.

For Emergency Conservation fund (transfer from War to Interior, Indians, Act June 19, 1934), \$10.61.

For loans and relief in stricken agricultural areas (transfer from Agriculture to Interior, Indians), \$18.96.

For support of Indians and administration of Indian property, \$54.74.

For Indian-school buildings, \$266.69.

For Indian-school support, \$2.40.

**Department of Justice:** For miscellaneous expenses, Supreme Court, \$2.65.

Department of Justice.

For salaries, fees, and expenses of marshals, United States courts, \$23.82.

For fees of jurors and witnesses, United States courts, \$18.10.

For fees of commissioners, United States courts, \$594.40.

For Federal jails, maintenance, \$2.16.

For salaries and expenses, Bureau of Prisons, \$1.50.

For United States Penitentiary, Atlanta, Georgia, maintenance, \$6.

For salaries and expenses, Division of Investigation, Department of Justice, \$1.

For pay of special assistant attorneys, United States courts, \$44.42.

**Department of Labor:** For investigation of cost of living in the United States, \$30.

Department of Labor.

For salaries and expenses, Immigration and Naturalization Service, \$4.40.

For salaries and expenses, Bureau of Labor Statistics, \$2.75.

**Navy Department:** For pay, subsistence, and transportation, Navy, \$501.31.

Navy Department.

For aviation, Navy, \$550.10.

For payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies (Navy), \$140.11.



	For prize money to captors, Spanish War, \$30.56.
	For judgments, bounty for destruction of enemy's vessels, \$55.72.
	For transportation, Bureau of Navigation, \$12.
	For pay, Marine Corps, \$74.07.
Department of State.	<b>Department of State:</b> For contingent expenses, Foreign Service, \$23.29.
	For payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies (State), \$7.96.
Treasury Department.	<b>Treasury Department:</b> For expenses, Emergency Banking, Gold Reserve, and Silver Purchase Acts, \$1.50.
	For collecting the internal revenue, \$10.15.
	For fuel and water, Coast Guard, \$67.60.
	For pay and allowances, Coast Guard, \$94.18.
	For expenses, Division of Mental Hygiene, Public Health Service, \$110.84.
	For quarantine service, \$130.87.
War Department.	<b>War Department:</b> For pay, and so forth, of the Army, \$1,845.27.
	For general appropriations, Quartermaster Corps, \$425.95.
	For pay of the Army, \$3,739.49.
	For Army transportation, \$107.71.
	For National Guard, \$761.99.
	For arming, equipping, and training the National Guard, \$147.50.
	For clothing and equipage, \$33.76.
	For payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies (War), \$5.12.
	For claims of officers and men of the Army for destruction of private property, Act March 3, 1885, \$115.75.
48 Stat. 22.	For Emergency Conservation fund (transfer to War, Act March 31, 1933), \$2,175.70.
48 Stat. 1055.	For Emergency Conservation fund (transfer to War, Act June 19, 1934), \$19,852.31.
48 Stat. 1055.	For loans and relief in stricken agricultural areas (transfer from Emergency Conservation Work to War, Act June 19, 1934), \$561.16.
	For cemeterial expenses, War Department, \$5.42.
Post Office Department.	<b>Post Office Department—Postal Service (Out of the Postal Revenues):</b> For indemnities, domestic mail, \$5.
Total; additional sum, increases in rates of exchange.	Total, audited claims, section 204 (b), \$36,285.80, together with such additional sum due to increases in rates of exchange as may be necessary to pay claims in the foreign currency as specified in certain of the settlements of the General Accounting Office.
Judgments against collectors of customs.	<b>Sec. 205.</b> Judgments against collectors of customs: For the payment of a claim allowed by the General Accounting Office covering a judgment rendered by United States District Court for the Southern District of New York against a collector of customs, where a certificate of probable cause has been issued as provided for under section 989, Revised Statutes (28 U. S. C. 842), and certified to the Seventy-fifth Congress in House Document Numbered 665, under the Department of Labor, \$3,782.19.
R. S. § 989. 28 U. S. C. § 842.	
Citizenship requirements.	<b>Sec. 206.</b> No part of any appropriation contained in this Act or authorized hereby to be expended shall be obligated during the fiscal year ending June 30, 1939, to pay the compensation of any officer or employee of the Government of the United States, or of any agency the majority of the stock of which is owned by the Government of the United States, whose post of duty is in continental United States unless such person is a citizen of the United States, or a person in the service of the United States on the date of the enactment of this

Act who being eligible for citizenship has filed a declaration of intention to become a citizen which is valid and has not expired or who owes allegiance to the United States.

SEC. 207. The term "declaration of intention" as it appears in section 3 of the State, Justice, Commerce, and Labor Appropriation Act, 1939, section 5 of the Independent Offices Appropriation Act, 1939, and section 5 of the Treasury and Post Office Appropriation Act, 1939, shall be construed to be a declaration of intention which is valid and has not expired.

SEC. 208. This Act may be cited as the "Second Deficiency Appropriation Act, fiscal year 1938".

Approved, June 25, 1938.

"Declaration of intention," term construed.  
*Ante*, pp. 289, 435, 148.

Short title.

[CHAPTER 682]

AN ACT

To amend the Act of June 20, 1936, so as to provide for the certification, authentication, and use in evidence of documents of record or on file in public offices in the State of the Vatican City.

June 25, 1938  
[S. 2811]  
[Public, No. 724]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Act entitled "An Act Relating to the admissibility in evidence of certain writings and records made in the regular course of business", approved June 20, 1936, is amended by adding after section 6 thereof the following new section:

"SEC. 6A. Until the United States shall have consular officer resident in the State of the Vatican City, a copy of any document of record or on file in a public office of said State of the Vatican City, certified by the lawful custodian of such document, may be authenticated, as provided in section 6 of this Act, by a consular officer of the United States resident in the city of Rome, Kingdom of Italy, and such document or record shall, when so certified and authenticated, be admissible in evidence in any court of the United States."

Approved, June 25, 1938.

State of the Vatican City.  
49 Stat. 1563.  
28 U. S. C., Supp. III, § 695e.

Authentication of documents of record or on file in public offices of.

Admissibility in evidence.

[CHAPTER 683]

AN ACT

Granting the consent of Congress to the State of New Jersey and the Commonwealth of Pennsylvania to enter into compacts or agreements with respect to constructing, maintaining, and operating a vehicular tunnel under the Delaware River.

June 25, 1938  
[S. 4041]  
[Public, No. 725]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the consent of Congress is hereby given to the State of New Jersey, through the Gloucester County Tunnel Commission, and the Commonwealth of Pennsylvania, through the Delaware County (Pennsylvania) Authority, to enter into compacts, agreements, or contracts providing for the construction, maintenance, and operation of a vehicular tunnel under the Delaware River between Gloucester County, in New Jersey, and Delaware County, in Pennsylvania, by either such commission or authority, or by both, acting jointly.

SEC. 2. The authority granted by this Act shall be subject to all existing laws with respect to the issuance of permits for the construction of tunnels under navigable rivers.

Approved, June 25, 1938.

Compact between New Jersey and Pennsylvania.  
Consent given to, for tunnel construction, operation, etc., under Delaware River.

Application of existing laws.

## [CHAPTER 684]

## AN ACT

June 25, 1938  
[H. R. 5805]  
[Public, No. 726]

Hawaii National  
Park.

46 Stat. 228.  
16 U. S. C. § 395e.

Acting Commission-  
er; power, jurisdiction,  
etc.

46 Stat. 229.  
16 U. S. C. § 395h.

Fees allowed.

29 Stat. 184.  
28 U. S. C. § 597.

Repeal of conflicting  
laws.

To amend an Act entitled "An Act to provide for the exercise of sole and exclusive jurisdiction by the United States over the Hawaii National Park in the Territory of Hawaii, and for other purposes", approved April 19, 1930.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 6 of the Act entitled "An Act providing for the exercise of sole and exclusive jurisdiction by the United States over Hawaii National Park in the Territory of Hawaii, and for other purposes", approved April 19, 1930 (46 Stat. 228; U. S. C., title 16, sec. 395e), be amended by adding at the end thereof the following:

"That during such time or times as the office of the Commissioner for the Hawaii National Park shall be or remain unfilled, or when the presence of such Commissioner cannot be conveniently procured, any United States commissioner duly appointed by the United States District Court for the Territory of Hawaii and residing in such district shall have full power, authority, and jurisdiction to hear and act upon all complaints made with respect to offenses or violations of law or regulations occurring within the limits of the Hawaii National Park, as the United States Commissioner for the Hawaii National Park may now act with respect to offenses or violations of law or regulations occurring within the limits of said park."

SEC. 2. That section 9 of the said Act of April 19, 1930 (46 Stat. 229; U. S. C., title 16, sec. 395h), be amended by adding at the end thereof the following:

"That any United States commissioner in and for the Territory of Hawaii, while acting in such capacity as United States Commissioner for the Hawaii National Park as authorized by section 6 hereof, shall be allowed the fees prescribed by section 21 of the Act of May 28, 1896 (29 Stat. 184), upon the rendition of an itemized account."

SEC. 3. All laws or parts of laws, either Federal or Territorial, in conflict herewith are hereby repealed.

Approved, June 25, 1938.

## [CHAPTER 685]

## AN ACT

June 25, 1938  
[H. R. 5690]  
[Public, No. 727]

Longshoremen's and  
Harbor Workers'  
Compensation Act,  
amendments.

44 Stat. 1425.  
33 U. S. C. § 902.

Definitions.

"Child."

"Grandchild."

"Brother", "sister."

Age and depend-  
ency.

To amend the Longshoremen's and Harbor Workers' Compensation Act.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subdivision (14) of section 2 of the Longshoremen's and Harbor Workers' Compensation Act be, and it is hereby, amended to read as follows:

"(14) 'Child' shall include a posthumous child, a child legally adopted prior to the injury of the employee, a child in relation to whom the deceased employee stood in loco parentis for at least one year prior to the time of injury, and a stepchild or acknowledged illegitimate child dependent upon the deceased, but does not include married children unless wholly dependent on him. 'Grandchild' means a child as above defined of a child as above defined. 'Brother' and 'sister' include stepbrothers and stepsisters, half brothers and half sisters, and brothers and sisters by adoption, but does not include married brothers nor married sisters unless wholly dependent on the employee. 'Child', 'grandchild', 'brother', and 'sister' include only persons who are under eighteen years of age, and also persons who, though eighteen years of age or over, are wholly dependent upon the deceased employee and incapable of self-support by reason of mental or physical disability."

SEC. 2. That subdivision (a) of section 7 of said Act, as amended, be, and it is hereby, amended to read as follows:

"(a) The employer shall furnish such medical, surgical, and other attendance or treatment, nurse and hospital service, medicine, crutches, and apparatus for such period as the nature of the injury or the process of recovery may require. If the employer fails to provide the same, after request by the injured employee, such injured employee may do so at the expense of the employer. The employee shall not be entitled to recover any amount expended by him for such treatment or services unless he shall have requested the employer to furnish the same and the employer shall have refused or neglected to do so, or unless the nature of the injury required such treatment and services and the employer or his superintendent or foreman having knowledge of such injury shall have neglected to provide the same; nor shall any claim for medical or surgical treatment be valid and enforceable, as against such employer, unless within twenty days following the first treatment the physician giving such treatment furnish to the employer and the deputy commissioner a report of such injury and treatment, on a form prescribed by the Commission. The deputy commissioner may, however, excuse the failure to furnish such report within twenty days when he finds it to be in the interest of justice to do so, and he may, upon application by a party in interest, make an award for the reasonable value of such medical or surgical treatment so obtained by the employee. If at any time during such period the employee unreasonably refuses to submit to medical or surgical treatment, the deputy commissioner may, by order, suspend the payment of further compensation during such time as such refusal continues, and no compensation shall be paid at any time during the period of such suspension, unless the circumstances justified the refusal."

SEC. 3. That section 7 of said Act, as amended, be, and it is hereby, further amended by adding thereto the following new subdivision:

"(d) The liability of an employer for medical treatment as herein provided shall not be affected by the fact that his employee was injured through the fault or negligence of a third party, not in the same employ, unless and until notice of election to sue has been given as required by section 33 (a) or suit has been brought against such third party without the giving of such notice. The employer shall, however, have a cause of action against such third party to recover any amounts paid by him for such medical treatment in like manner as provided in section 33 (b) of this Act."

SEC. 4. That paragraph (22) of subdivision (c) of section 8 of said Act, as amended, be, and it is hereby, amended to read as follows:

"(22) In any case in which there shall be a loss of, or loss of use of, more than one member or parts of more than one member set forth in paragraphs (1) to (19) of this subdivision, not amounting to permanent total disability, the award of compensation shall be for the loss of, or loss of use of, each such member or part thereof, which awards shall run consecutively, except that where the injury affects only two or more digits of the same hand or foot, paragraph (17) of this subdivision shall apply."

SEC. 5. That section 8 of said Act, as amended, be, and it is hereby, further amended by adding thereto the following new subdivisions:

"(h) The wage-earning capacity of an injured employee in cases of partial disability under subdivision (c) (21) of this section or under subdivision (e) of this section shall be determined by his actual earnings if such actual earnings fairly and reasonably represent his wage-earning capacity: *Provided, however,* That if the employee has no actual earnings or his actual earnings do not fairly and reasonably represent his wage-earning capacity, the deputy com-

44 Stat. 1427.  
33 U. S. C. § 907 (a).

Medical, etc., services to be furnished by employer.

Refusal by employer; recovery of expense by employee.  
Conditions.

Unreasonable refusal by employee to submit to treatment.

44 Stat. 1427.  
33 U. S. C. § 907.

Liability of employer through fault of a third party.

44 Stat. 1440.  
33 U. S. C. § 933.

44 Stat. 1428; 48 Stat. 806.  
33 U. S. C. § 908.

Specified injuries not amounting to permanent total disability.

44 Stat. 1427.  
33 U. S. C. § 908.

Determination of wage-earning capacity.

*Proviso.*  
Employee without actual earnings, etc.

Approval of agreed settlement of interested parties in designated cases.  
44 Stat. 1428, 1429.  
33 U. S. C. § 908.

44 Stat. 1434.  
33 U. S. C. §§ 915, 916.

*Proviso.*  
Installment payments.  
44 Stat. 1432, 1433.  
33 U. S. C. § 914.  
Death of employee from other causes.

44 Stat. 1429.  
33 U. S. C. § 908.  
44 Stat. 1430.  
33 U. S. C. § 909.  
Compensation for death.  
Surviving wife or dependent husband and no child.

Surviving child or children.

Death or remarriage of wife or husband.

*Proviso.*  
Maximum amount.

Surviving child or children, but no surviving wife or dependent husband.

*Proviso.*  
Maximum amount.

Support of dependent grandchildren, brothers, and sisters.

Dependent parent or grandparent.

Maximum amount.

missioner may, in the interest of justice, fix such wage-earning capacity as shall be reasonable, having due regard to the nature of his injury, the degree of physical impairment, his usual employment, and any other factors or circumstances in the case which may affect his capacity to earn wages in his disabled condition, including the effect of disability as it may naturally extend into the future.

“(i) In cases under subdivision (c) (21) and subdivision (e) of this section, whenever the deputy commissioner determines that it is for the best interests of an injured employee entitled to compensation, he may, with the approval of the Commission, approve agreed settlements of the interested parties, discharging the liability of the employer for such compensation, notwithstanding the provisions of section 15 (b) and section 16 of this Act: *Provided*, That the sum so agreed upon shall be payable in installments as provided in section 14 (b), which installments shall be subject to commutation under section 14 (j): *And provided further*, That if the employee should die from causes other than the injury after the Commission has approved an agreed settlement as provided for herein, the sum so approved shall be payable, in the manner prescribed in this subdivision, to and for the benefit of the persons enumerated in subdivision (d) of this section.”

SEC. 6. That subdivisions (b), (c), and (d) of section 9 of this Act be, and they are hereby, amended to read as follows:

“(b) If there be a surviving wife or dependent husband and no child of the deceased, to such wife or dependent husband 35 per centum of the average wages of the deceased, during widowhood, or dependent widowhood, with two years' compensation in one sum upon remarriage; and if there be a surviving child or children of the deceased, the additional amount of 10 per centum of such wages for each such child; in case of the death or remarriage of such surviving wife or dependent husband, any surviving child of the deceased employee shall have his compensation increased to 15 per centum of such wages: *Provided*, That the total amount payable shall in no case exceed 66⅔ per centum of such wages. The deputy commissioner having jurisdiction over the claim may, in his discretion, require the appointment of a guardian for the purpose of receiving the compensation of a minor child. In the absence of such a requirement the appointment of a guardian for such purposes shall not be necessary.

“(c) If there be a surviving child or children of the deceased, but no surviving wife or dependent husband, then for the support of each such child 15 per centum of the wages of the deceased: *Provided*, That the aggregate shall in no case exceed 66⅔ per centum of such wages.

“(d) If there be no surviving wife or dependent husband or child or if the amount payable to a surviving wife or dependent husband and to children shall be less in the aggregate than 66⅔ per centum of the average wages of the deceased; then for the support of grandchildren or brothers and sisters, if dependent upon the deceased at the time of the injury, 15 per centum of such wages for the support of each such person and for the support of each parent, or grandparent, of the deceased if dependent upon him at the time of the injury, 25 per centum of such wages during such dependency. But in no case shall the aggregate amount payable under this subdivision exceed the difference between 66⅔ per centum of such wages and the amount payable as hereinbefore provided to surviving wife or dependent husband and for the support of surviving child or children.”

SEC. 7. That subdivision (f) of section 14 of said Act be, and it is hereby, amended to read as follows:

"(f) If any compensation, payable under the terms of an award, is not paid within ten days after it becomes due, there shall be added to such unpaid compensation an amount equal to 20 per centum thereof, which shall be paid at the same time as, but in addition to, such compensation, unless review of the compensation order making such award is had as provided in section 21 and an interlocutory injunction staying payments is allowed by the court as provided therein."

SEC. 8. That section 17 of said Act be, and it is hereby, amended to read as follows:

"SEC. 17. Any person entitled to compensation under the provisions of this Act shall have a lien against the assets of the carrier or employer for such compensation without limit of amount, and shall, upon insolvency, bankruptcy, or reorganization in bankruptcy proceedings of the carrier or employer, or both, be entitled to preference and priority in the distribution of the assets of such carrier or employer, or both."

SEC. 9. That subdivision (g) of section 19 of said Act be, and it is hereby, amended to read as follows:

"(g) At any time after a claim has been filed with him, the deputy commissioner may, with the approval of the Commission, transfer such case to any other deputy commissioner for the purpose of making investigation, taking testimony, making physical examinations or taking such other necessary action therein as may be directed."

SEC. 10. That section 22 of said Act, as amended, be, and it is hereby, amended to read as follows:

"SEC. 22. Upon his own initiative, or upon the application of any party in interest, on the ground of a change in conditions or because of a mistake in a determination of fact by the deputy commissioner, the deputy commissioner may, at any time prior to one year after the date of the last payment of compensation, whether or not a compensation order has been issued, or at any time prior to one year after the rejection of a claim, review a compensation case in accordance with the procedure prescribed in respect of claims in section 19, and in accordance with such section issue a new compensation order which may terminate, continue, reinstate, increase, or decrease such compensation, or award compensation. Such new order shall not affect any compensation previously paid, except that an award increasing the compensation rate may be made effective from the date of the injury, and if any part of the compensation due or to become due is unpaid, an award decreasing the compensation rate may be made effective from the date of the injury, and any payment made prior thereto in excess of such decreased rate shall be deducted from any unpaid compensation, in such manner and by such method as may be determined by the deputy commissioner with the approval of the Commission."

SEC. 11. That section 30 of said Act be, and it is hereby, amended by adding thereto the following new subdivision:

"(f) Where the employer or the carrier has been given notice, or the employer (or his agent in charge of the business in the place where the injury occurred) or the carrier has knowledge, of any injury or death of an employee and fails, neglects, or refuses to file report thereof as required by the provisions of subdivision (a) of this section, the limitations in subdivision (a) of section 13 of this Act shall not begin to run against the claim of the injured employee or his dependents entitled to compensation, or in favor of either the

44 Stat. 1433.  
33 U. S. C. § 914.

Payment of compensation.  
Additional, if not paid when due.

Stay by court order.  
44 Stat. 1436.  
33 U. S. C. § 921.

44 Stat. 1434.  
33 U. S. C. § 917.

Compensation a lien against assets.

Preference in bankruptcy, etc.

44 Stat. 1436.  
33 U. S. C. § 919.

Transfer of cases.

44 Stat. 1437.  
33 U. S. C. § 922.

Modification of awards.  
Procedure for review, etc.

44 Stat. 1435.  
33 U. S. C. § 919.  
New compensation order.

Previous payments not affected; exception.

44 Stat. 1439.  
33 U. S. C. § 930.

Failure to file report of injury or death.

44 Stat. 1432.  
33 U. S. C. § 913.

employer or the carrier, until such report shall have been furnished as required by the provisions of subdivision (a) of this section."

SEC. 12. That subdivisions (b) and (e) of section 33 of said Act be, and are hereby, amended to read as follows:

"(b) Acceptance of such compensation under an award in a compensation order filed by the deputy commissioner shall operate as an assignment to the employer of all right of the person entitled to compensation to recover damages against such third person."

"(e) Any amount recovered by such employer on account of such assignment, whether or not as the result of a compromise, shall be distributed as follows:

"(1) The employer shall retain an amount equal to—

(A) the expenses incurred by him in respect to such proceedings or compromise (including a reasonable attorney's fee as determined by the deputy commissioner);

(B) the cost of all benefits actually furnished by him to the employee under section 7;

(C) all amounts paid as compensation;

(D) the present value of all amounts thereafter payable as compensation, such present value to be computed in accordance with a schedule prepared by the Commission, and the present value of the cost of all benefits thereafter to be furnished under section 7, to be estimated by the deputy commissioner, and the amounts so computed and estimated to be retained by the employer as a trust fund to pay such compensation and the cost of such benefits as they become due, and to pay any sum finally remaining in excess thereof to the person entitled to compensation or to the representative; and

"(2) The employer shall pay any excess to the person entitled to compensation or to the representative."

SEC. 13. That section 33 of said Act be, and it is hereby, further amended by adding thereto the following new subdivision:

"(i) Where the employer is insured and the insurance carrier has assumed the payment of the compensation, the insurance carrier shall be subrogated to all the rights of the employer under this section."

SEC. 14. That section 38 of said Act be, and it is hereby, amended to read as follows:

"SEC. 38. (a) Any employer required to secure the payment of compensation under this Act who fails to secure such compensation shall be guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not more than \$1,000, or by imprisonment for not more than one year, or by both such fine and imprisonment; and in any case where such employer is a corporation, the president, secretary, and treasurer thereof shall be also severally liable to such fine or imprisonment as herein provided for the failure of such corporation to secure the payment of compensation; and such president, secretary, and treasurer shall be severally personally liable, jointly with such corporation, for any compensation or other benefit which may accrue under the said Act in respect to any injury which may occur to any employee of such corporation while it shall so fail to secure the payment of compensation as required by section 32 of this Act.

"(b) Any employer who knowingly transfers, sells, encumbers, assigns, or in any manner disposes of, conceals, secretes, or destroys any property belonging to such employer, after one of his employees has been injured within the purview of this Act, and with intent to avoid the payment of compensation under this Act to such employee or his dependents, shall be guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine of not more than \$1,000, or by imprisonment for not more than one year, or by both such fine

44 Stat. 1440.  
33 U. S. C. § 933.

Injuries where third persons are liable.  
Acceptance of compensation; assignment of rights to employer.

Distribution of amount recovered.

Amount retained by employer.  
Expenses.

Cost of benefits furnished employee.  
44 Stat. 1427.  
33 U. S. C. § 907.  
Amounts paid or thereafter payable as compensation.

Disposition of excess.

44 Stat. 1440.  
33 U. S. C. § 933.

Where employer insured.

44 Stat. 1442.  
33 U. S. C. § 938.

Failure of employer to secure compensation payment; penalty.

Liability of officers of corporation.

44 Stat. 1439.  
33 U. S. C. § 932.  
Transfer, etc., by employer of assets with intent to avoid payment.

Penalty.

and imprisonment; and in any case where such employer is a corporation, the president, secretary, and treasurer thereof shall be also severally liable to such penalty of imprisonment as well as jointly liable with such corporation for such fine.

“(c) This section shall not affect any other liability of the employer under this Act.”

Approved, June 25, 1938.

Liability of officers  
of corporation.

Other liabilities of  
employer not affected.

# [CHAPTER 686]

## AN ACT

To amend the Act of Congress entitled “An Act to establish an Alaska Game Commission, to protect game animals, land fur-bearing animals, and birds in Alaska, and for other purposes”, approved January 13, 1925, as amended.

June 25, 1938

[H. R. 7844]

[Public, No. 728]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 2 of the Act entitled “An Act to establish an Alaska Game Commission, to protect game animals, land fur-bearing animals, and birds in Alaska, and for other purposes”, approved January 13, 1925 (43 Stat. 739), as amended by the Act of February 14, 1931 (46 Stat. 1111), under the title “Definitions” is amended to read as follows:

Alaska Game Law,  
amendments.

43 Stat. 739; 46  
Stat. 1111.  
48 U. S. C. § 206.

“SEC. 2. DEFINITIONS.—That for the purposes of this Act the following shall be construed, respectively, to mean:

Definitions.

“Commission: The Alaska Game Commission.

“Commission.”

“Territory: Territory of Alaska.

“Territory.”

“Person: The plural or the singular, as the case demands, including individuals, associations, partnerships, and corporations, unless the context otherwise requires.

“Person.”

“Indian: Natives of one-half or more Indian blood.

“Indian.”

“Eskimo: Natives of one-half or more Eskimo blood.

“Eskimo.”

“Take: Taking, pursuing, disturbing, hunting, capturing, trapping, or killing game animals, land fur-bearing animals, game or nongame birds; attempting to take, pursue, disturb, hunt, capture, trap, or kill such animals or birds; or setting or using a net, trap, or other device for taking them, or collecting the nests or eggs of such birds, unless the context otherwise requires. Whenever the taking of animals, birds, or nests or eggs of birds is permitted, reference is had to taking by lawful means and in lawful manner.

“Take.”

“Open season: The time during which birds or animals may lawfully be taken. Each period of time prescribed as an open season shall be construed to include the first and last days thereof.

“Open season.”

“Closed season: The time during which birds and animals may not be taken.

“Closed season.”

“Transport: Shipping, transporting, carrying, importing, exporting, or receiving or delivering for shipment, transportation, carriage, or export, unless the context otherwise requires.

“Transport.”

“Game animals: Deer, moose, caribou, elk, mountain sheep, mountain goat, bison, muskox, and the large brown and grizzly bears, and such other animals as have been or may hereafter be transplanted, introduced, or reintroduced into the Territory or any part thereof and found and declared by the Secretary of Agriculture to be game animals, which shall be known as big game.

“Game animals.”

“Land fur-bearing animals: Beaver, muskrat, marmot, raccoon, pika, squirrel, fisher, fox, lynx, marten or sable, mink, weasel or ermine, land otter, wolverine, polar bear, and black bear, including its brown and blue (or glacier bear) color variations, and such other animals as have been or may hereafter be transplanted, introduced, or reintroduced into the Territory or any part thereof and found and declared by the Secretary of Agriculture to be fur-bearing animals;

“Land fur-bearing  
animals.”



but whenever the Secretary of Agriculture shall find that the aforesaid black bear, or its color variations, is predominantly hunted in any section of Alaska as a game animal rather than a fur-bearer, he shall so declare and then and thereafter, so long as such declaration remains in effect, such bear in the specified section of Alaska shall be considered to be a game animal to the same effect as if it had been expressly included in the foregoing definition of game animals.

"Game birds."

"Game birds: Anatidae, commonly known as waterfowl, including ducks, geese, brant, and swans; Haematopodidae, Charadriidae, Scolopacidae, and Phalaropodidae, commonly known as shorebirds, including oyster-catchers, plover, sandpipers, snipe, curlew, and phalaropes; Gruidae, commonly known as cranes; and the several species of grouse and ptarmigan, and such other birds as have been or may hereafter be transplanted, introduced, or reintroduced into the Territory or any part thereof and found and declared by the Secretary of Agriculture to be game birds.

"Nongame birds."

43 Stat. 740.  
48 U. S. C. § 207.

"Nongame birds: All wild birds except game birds."

Residence require-  
ments.

SEC. 2. That section 3 of said Act is amended by striking the period at the end of the first paragraph of said Act, following the word "alien", and inserting a colon in lieu thereof and after the colon the following: "*Provided*, That whenever the Secretary of Agriculture shall determine that the economic welfare and interests of native Indians or Eskimos, or the fur resources of Alaska, are threatened by the influx of trappers from without the Territory, he may, in his discretion and for such periods as he shall determine, require that citizens of the United States who are nonresidents of the Territory, and foreign-born persons and aliens within the meaning of this Act, shall have resided in Alaska for a continuous period of three years instead of one year before being eligible to obtain resident trapping licenses under the provisions of the Alaska game law, as amended, and regulations issued pursuant thereto."

43 Stat. 741.  
48 U. S. C. § 192.

SEC. 3. That the first paragraph of section 5 of said Act is amended to read as follows:

Duties and powers  
of Commission, ward-  
ens, and officers.

"SEC. 5. DUTIES AND POWERS OF THE COMMISSION, WARDENS, AND OFFICERS.—That the Commission shall have authority to employ and remove game wardens, deputies, clerks, and such other assistants as may be necessary; to fix their periods of service and compensation; to rent quarters; and to incur other necessary expenses payable from appropriations for carrying out the purposes of this Act, including printing and purchase, operation, maintenance, and repair of aircraft; restocking depleted areas and emergency feeding of wildlife; investigation of wildlife conditions; and protection of wildlife resources within the Territory; but, subject to review by the Commission, the executive officer may suspend or remove any game warden or other employee for cause, including insubordination."

43 Stat. 743.  
48 U. S. C. § 198.  
Regulations for tak-  
ing game animals, etc.

SEC. 4. That section 10 of said Act is amended to read as follows:

"SEC. 10. REGULATIONS.—That the Secretary of Agriculture, upon consultation with or recommendation from the Commission, is hereby authorized and directed from time to time to determine when, to what extent if at all, and by what means game animals, land fur-bearing animals, game birds, nongame birds, and nests or eggs of birds may be taken, possessed, transported, bought, or sold, and to adopt suitable regulations permitting and governing the same in accordance with such determinations, which regulations shall become effective on the date specified therein; but no such regulations shall permit any person to take any female yearling or calf moose, any doe yearling or fawn deer, or any female or lamb mountain sheep except under permit for scientific, propagation, or educational purposes; or to use any dog in taking game animals; or to sell the heads, hides, or horns

Prohibitions.

of any game animals, except the hides of moose, caribou, deer, and mountain goat, or black bears if and when declared to be game animals by the Secretary of Agriculture under authority of section 2 of this Act, which the regulations may permit to be sold under such restrictions as said Secretary may deem to be appropriate; or to use any shotgun larger than a number 10 gage; or to use any airplane, or steam or power launch, or any boat other than one propelled by paddle, oars, or pole, in taking game animals or game birds; or to sell any game animals, game birds, or parts thereof to the owner, master, or employee of any coastal or river steamer or commercial power or sail boat, or to procure for serving or to serve any such game animals, game birds, or parts thereof in any cannery or to the employees on any such steamer or boat; nor, except as herein provided, shall prohibit any Indian or Eskimo, prospector, or traveler to take animals or birds during the closed season when he is in absolute need of food and other food is not available, but the shipment or sale of any animals or birds or parts thereof so taken shall not be permitted, except that the hides of animals so taken may be sold within the Territory, but said Secretary by regulation may prohibit such native Indians or Eskimos, prospectors, or travelers from taking any species of animals or birds for food during the closed season in any section of the Territory within which he shall determine that the supply of such species of animals or birds is in danger of extermination; nor shall any such regulation contravene any of the provisions of the Migratory Bird Treaty Act and regulations: *Provided*, That no person shall knowingly disturb, injure, or destroy any notice, signboard, seal, boat, vessel, sled, dog, or dog team, paraphernalia, or equipment, building, or other improvement or property of the United States used by the Commission in the administration and/or enforcement of the provisions of this Act, or as a notice to the public concerning the provisions of this Act or any regulation adopted pursuant thereto, or as a marker of the boundary of any area closed to hunting, trapping, or other special use under the provisions of this Act, or to destroy, remove, tamper with, or imitate any metal seal or seals issued by the Commission and attached to any skin, portion, or specimen of a wild animal or bird or other article for purposes of identification under its authority, in accordance with the provisions of this Act or any regulations thereunder."

SEC. 5. That subdivision C, the first paragraph of subdivision H, and subdivision J, of section 11 of said Act are amended as follows:

"SUBDIVISION C. RESIDENT HUNTING AND TRAPPING LICENSES.—That the Commission, whenever it shall deem expedient, may by regulation require residents of the Territory to procure resident hunting and trapping licenses authorizing them to take animals and birds protected by this Act, and when such licenses shall have been required of residents the fee therefor shall be as follows: For each hunting license the sum of \$1 and for each trapping license the sum of \$2, but no such license shall be required of native Indians and Eskimos, or of residents under the age of sixteen: *Provided*, That a licensed trapper shall be entitled to the privilege of hunting without a hunting license. After the effective date of such regulation, no resident shall take any animal or bird protected by this Act without having first procured resident hunting and trapping licenses as herein provided."

"SUBDIVISION H. FUR DEALERS, LICENSES, FEES.—No person shall buy or sell the skins of fur-bearing animals, or engage in, carry on, or be concerned in the business of buying, selling, or trading in the skins of fur-bearing animals protected by this Act without first

*Ante*, p. 1169.

Use of certain firearms; airplanes, boats, etc.

Sales of game, etc.

Use for food.

No contravention of migratory bird law.  
40 Stat. 755.  
16 U. S. C. § 703;  
Supp. III, ch. 7.  
*Proviso.*  
Protection of property used by Commission.

43 Stat. 744, 745, 746.  
48 U. S. C. § 199.

Resident hunting and trapping licenses.

Fees.

*Proviso.*  
Hunting privileges of licensed trappers.

Fur dealers, licenses, fees.

Native Indians or Eskimos, cooperative stores, etc.

*Proviso.*  
Records and reports by exempted stores.

43 Stat. 745.  
48 U. S. C. § 199.

False statement in application for and alteration and expiration of licenses.

43 Stat. 747.  
48 U. S. C. § 202.  
Penalties.

Forfeiture of license.

Second conviction.

Third and successive convictions.

Cooperative stores.

*Proviso.*  
Limitations.

Disposal of moneys from fines.

Failure of licensed guides to report violations.

having procured a license as herein provided, but no license shall be required of native Indians or Eskimos, or of cooperative stores operated exclusively by and for native Indians or Eskimos, or of stores operated by missions exclusively for native Indians or Eskimos: *Provided*, That the stores exempted from procuring licenses as herein provided shall, on or before thirty days after the expiration of each license year as specified in this Act, make a written statement to the Commission on a form prepared and furnished by it setting forth such material facts concerning the management and operation of such store as the Commission may by such form require and in addition thereto shall keep the records, make the reports, incur the penalties, and in all other respects be subject to the requirements of subdivision F of section 11 to the same extent as licensed fur dealers, or of a hunter or trapper selling the skins of such animals which he has lawfully taken, or of a person not engaged or employed in the business of trading in such skins to purchase them for his own use but not for sale."

"SUBDIVISION J. FALSE STATEMENT IN APPLICATION FOR AND ALTERATION AND EXPIRATION OF LICENSES.—That any false statement in an application for license as to citizenship, place of residence, or other material facts shall render null and void the license issued upon it. Any person who shall make any false statements in an application for a license shall be guilty of a violation of this Act and upon conviction of any such violation shall be punished as provided in section 15 hereof. No person shall alter, change, loan, or transfer to another any license issued to him in pursuance of this Act, nor shall any person other than the one to whom it is issued use such license; and each of such licenses shall expire the 30th day of June next succeeding its issuance."

SEC. 6. That section 15 of said Act is amended to read as follows:

"SEC. 15. PENALTIES.—That unless a different or other penalty or punishment is herein specifically prescribed, a person who violates any provision of this Act, or who fails to perform any duty imposed by this Act or any order or regulation adopted pursuant to this Act, is guilty of misdemeanor and upon conviction thereof shall be fined not less than \$25 nor more than \$500 or be imprisoned not more than six months, or both; and, in addition thereto, any person convicted of a violation of any provision of this Act who is the holder of any form of license issued thereunder shall thereupon forfeit said license and shall surrender it upon demand of any person authorized by the Commission to receive it, and upon a second conviction he shall not be entitled to, nor shall he be granted, a license of such form for a period of one year from date of such forfeiture, and upon a third or successive conviction, for a period of five years from the date of such forfeiture; and any cooperative store operated exclusively by and for native Indians or Eskimos, or any store operated by missions exclusively for native Indians or Eskimos, without a license as provided in this Act, upon a second or third conviction for violation of this Act, shall not be entitled to engage in the business of dealing in furs for such time as the court before whom such conviction is had may decide: *Provided*, That such prohibition shall not be imposed for the first conviction, nor for a period in excess of one year from date of the second conviction, nor for a period in excess of five years from date of the third or any subsequent conviction; that all moneys from fines shall be transmitted by the clerk of the court to the executive officer to be disposed of as are other receipts of the Commission.

"That any licensed guide who shall fail or refuse to report promptly to the Commission any violation of this Act of which he may have

knowledge, shall be guilty of a violation of this Act, and, in addition thereto, shall have his license revoked and shall be ineligible to act as a licensed guide for a period of five years from the time of his conviction therefor, or, of the establishment to the satisfaction of the Commission of definite proof of such offense."

Approved, June 25, 1938.

Penalty.

[CHAPTER 687]

AN ACT

To provide for conveying to the State of North Dakota certain lands within Burleigh County within that State for public use.

June 25, 1938  
[H. R. 7868]

[Public, No. 729]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Interior be, and he is hereby, authorized to grant and convey to the State of North Dakota, for public use, fee-simple title to the lands and improvements thereon comprising the Bismarek Indian School buildings and grounds: *Provided*, That in consideration of this conveyance the State of North Dakota shall convey to the United States in trust for such Indian tribes as may be designated at the time of conveyance by the Secretary of the Interior, lands (and improvements thereon, if any) situated convenient to existing Indian reservations and suitable for agricultural and stockraising purposes: *Provided further*, That the land and improvements conveyed to the United States shall in value be equal to the value of the property conveyed by the United States to the State of North Dakota: *And provided further*, That the conveyance by the United States to the State of North Dakota shall protect existing easements or rights-of-way across the Indian school property.

State of North Dakota.  
Conveyance of lands to, for public use.

*Provided*.  
Conveyance of lands to United States in trust.

Value of property conveyed.

Protection of existing easements, etc., across Indian school property.

Appraisal.

SEC. 2. Prior to the conveyance of any land or improvements, as herein authorized, the Secretary of the Interior shall cause an appraisal thereof to be made by an appraisal committee consisting of a representative of the Commissioner of Indian Affairs, a representative of the General Land Office, and a third person satisfactory to the Secretary of the Interior, to be appointed by the Governor of the State of North Dakota.

Approved, June 25, 1938.

[CHAPTER 688]

AN ACT

Authorizing the disbursement of funds appropriated for compensation of help for care of material, animals, armament, and equipment in the hands of the National Guard of the several States, Territories, and the District of Columbia, and for other purposes.

June 25, 1938  
[H. R. 9721]

[Public, No. 730]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That moneys hereafter appropriated under the provisions of the National Defense Act, as amended, for compensation of help for care of material, animals, armament, and equipment in the hands of the National Guard of the several States, Territories, and the District of Columbia shall be available for the hire of caretakers who may also perform clerical duties incidental to their employment, and such moneys may be used as supplemental to money appropriated by the several States, Territories, and the District of Columbia for the support of the National Guard: *Provided*, That nothing herein contained shall be construed to prevent the utilization of the services of such caretakers on duties other than

National Guard.  
Availability of designated funds.  
39 Stat. 166.

Caretakers, duties.

*Provided*.  
Other duties.

Validation of payments for help.

Collection of amounts due the United States from personnel concerned.

those indicated above, if such additional services do not interfere with the complete performance of the duties for which they are employed under the provisions of this Act: *Provided further*, That payments heretofore made for said help which now stand disallowed or would hereafter be disallowed but for this Act are hereby ratified and validated as to the disbursing officers making the same in such amounts only as are approved by the Secretary of War, whose determination shall be final and conclusive, and the Comptroller General of the United States is hereby directed to allow credit in the accounts of said disbursing officers for and on account of such payments in said amounts: *And provided further*, That nothing herein shall be construed to prevent the collection from the personnel concerned of any amounts determined by the Secretary of War to be due the United States.

Approved, June 25, 1938.

[CHAPTER 689]

AN ACT

June 25, 1938  
[H. R. 10432]  
[Public, No. 731]

To amend an Act approved June 14, 1906 (34 Stat. 263), entitled "An Act to prevent aliens from fishing in the waters of Alaska."

Alaska.  
34 Stat. 263.  
48 U. S. C. § 243.

Fishing by aliens, except with rod, spear, etc., unlawful.

*Provisos.*  
Sale of fish to aliens, etc.

Employment of aliens.

Persons owing allegiance not considered aliens.  
Status of bona fide residents for three consecutive years.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 1 of the Act of Congress approved June 14, 1906 (34 Stat. 263), entitled "An Act to prevent aliens from fishing in the waters of Alaska", is amended to read as follows:

"That it shall be unlawful for any person not a citizen of the United States, or who has declared his intention to become a citizen of the United States, and is not a bona fide resident therein, or for any company, corporation, or association not organized or authorized to transact business under the laws of any State, Territory, or district thereof, or for any person not a native of Alaska, to catch or kill, or attempt to catch or kill, except with rod, spear, or gaff, any fish of any kind or species whatsoever in any of the waters of Alaska under the jurisdiction of the United States: *Provided, however*, That nothing contained in this Act shall prevent those lawfully taking fish in the said waters from selling the same, fresh or cured, in Alaska or in Alaskan waters, to any alien person, company, or vessel then being lawfully in said waters: *Provided further*, That nothing contained in this Act shall prevent any person, firm, corporation, or association lawfully entitled to fish in the waters of Alaska from employing as laborers any aliens who can now be lawfully employed under the existing laws of the United States, either at stated wages or by piecework, or both, in connection with the canning, salting, or otherwise preserving of fish: *Provided further*, That any person owing allegiance to the United States shall not be considered an alien for the purposes of this Act: *And provided further*, That any person who is a bona fide resident of Alaska and has been such a resident for the period of three consecutive years prior to the date of approval of this Act, and who during such three-year period has been continuously or seasonally engaged in fishing in the waters of Alaska for commercial purposes, may continue to engage in fishing in the waters of Alaska for commercial purposes for the period of three years after the date of the approval of this Act, although not a citizen of the United States."

Approved, June 25, 1938.

## [CHAPTER 690]

## AN ACT

To provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve.

June 25, 1938  
[H. R. 10594]  
[Public, No. 732]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Naval Reserve Act of 1938".

Naval Reserve Act  
of 1938.

# TITLE I—DISSOLUTION OF EXISTING RESERVE AND ORGANIZATION OF NEW RESERVE

Title I—Dissolu-  
tion of Existing Re-  
serve and Organiza-  
tion of New Reserve.

SECTION 1. The Naval Reserve established under the Act of February 28, 1925, is hereby abolished, and in lieu thereof there is hereby created and established, as a component part of the United States Navy, a Naval Reserve which shall consist of the Fleet Reserve, the Organized Reserve, the Merchant Marine Reserve, and the Volunteer Reserve: *Provided*, That all men who on the date of this Act are members of the Fleet Naval Reserve as the result of sixteen or more years of active naval service, are hereby transferred to the Fleet Reserve created by this Act, and shall continue to receive the same pay, allowances, and benefits which they were legally entitled to receive at the time of approval of this Act, and all other members of the Fleet Naval Reserve are hereby transferred to the Organized Reserve; and all officers and men who on the date of this Act are members of the Merchant Marine Naval Reserve and Volunteer Naval Reserve (including aviation cadets), are hereby transferred to the Merchant Marine Reserve and Volunteer Reserve, respectively: *Provided further*, That such transfers of officers and men shall be for the unexpired period of their current appointments or enlistments in the Naval Reserve and in the same grades, ranks or ratings, and with the same dates of precedence held by them on the date of such transfer: *And provided further*, That nothing contained in this Act shall affect the status or pay of members of the Naval Reserve Force or the Naval Reserve heretofore retired with or without pay, except that members of the Honorary Retired List on the date of the approval hereof are hereby transferred to the Honorary Retired List for the Naval Reserve created by section 309, title III, of this Act.

Establishment as  
part of the Navy in  
lieu of existing Naval  
Reserve.  
43 Stat. 1080.  
34 U. S. C., ch. 15;  
Supp. III, ch. 15.  
Classes.

*Provisos.*  
Transfer of present  
Fleet Naval Reserve  
members.

Transfers to Mer-  
chant Marine Reserve  
and Volunteer Re-  
serve.

Term of service.

Status of members  
heretofore retired.

Honorary Retired  
List.

*Post*, p. 1153.

Marine Corps Re-  
serve.  
Establishment as  
part of Marine Corps  
in lieu of present or-  
ganization.

*Proviso.*  
Classes.

Laws repealed.

43 Stat. 1080, 1276;  
45 Stat. 1476; 46 Stat.  
375; 47 Stat. 431, 439,  
801; 48 Stat. 613.

34 U. S. C., ch. 15;  
Supp. III, ch. 15.

SEC. 2. The United States Marine Corps Reserve established under the Act of February 28, 1925, is hereby abolished, and in lieu thereof there is hereby created and established as a component part of the United States Marine Corps, a Marine Corps Reserve under the same provisions in all respects (except as may be necessary to adapt said provisions to the Marine Corps) as those contained in this Act or which may hereafter be enacted providing for the Naval Reserve: *Provided*, That the Marine Corps Reserve shall consist of the Fleet Marine Corps Reserve, the Organized Marine Corps Reserve, and the Volunteer Marine Corps Reserve, corresponding, as near as may be, to similar classes of the Naval Reserve.

SEC. 3. The Act of February 28, 1925, entitled "An Act for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve" (43 Stat. 1080), as amended by the Acts of March 4, 1925, section 19 (43 Stat. 1276); March 2, 1929 (45 Stat. 1476); May 23, 1930, section 2 (46 Stat. 375); June 30, 1932, section 1 (47 Stat. 431, 439); February 14, 1933 (47 Stat. 801); and May 29, 1934, section 17 (48 Stat. 813), as contained in the United States Code, title 34, chapter 15, is hereby repealed.

Composition of  
Naval Reserve.

*Provisos.*  
Appointment of female  
registered nurses  
in Volunteer Reserve.  
Other services prohibited,  
except Naval Militia.

Civil employment,  
etc., not affected.

Active duty of  
members, including  
retired list, in time of  
war or emergency.  
*Post*, p. 1183.

In time of peace.

*Provisos.*  
Aviation cadets,  
service.  
Release from active  
duty.

Discharge.

*Provisos.*  
Discharge for cause,  
hearing.

Separation of officers  
and enlisted men  
on active duty.

Retired list subject  
to Navy laws, etc.

Commissioned officers  
on active duty,  
etc.

SEC. 4. The Naval Reserve shall be composed of male citizens of the United States and of the insular possessions of the United States who have attained the age of seventeen years and who, by appointment or enlistment therein under regulations prescribed by the Secretary of the Navy or by transfer thereto as in this Act provided, obligate themselves to serve in the Navy in time of war or when in the opinion of the President a national emergency exists: *Provided*, That female registered nurses may be appointed in the Volunteer Reserve under regulations prescribed by the Secretary of the Navy: *Provided further*, That no officer or man of the Naval Reserve shall be a member of any other naval or military organization except the Naval Militia: *And provided further*, That no existing law shall be construed to prevent any member of the Naval Reserve from accepting employment in any civil branch of the public service nor from receiving the pay and allowances incident to such employment in addition to any pay and allowances to which he may be entitled under the provisions of this Act, nor as prohibiting him from practicing his civilian profession or occupation before or in connection with any department of the Federal Government.

SEC. 5. Any member of the Naval Reserve, including those on the honorary retired list created by section 309, title III, of this Act, or who may have been retired, may be ordered to active duty by the Secretary of the Navy in time of war or when in the opinion of the President a national emergency exists and may be required to perform active duty throughout the war or until the national emergency ceases to exist; but in time of peace, except as otherwise provided in this Act, he shall be ordered to or continued on active duty with his own consent only: *Provided*, That aviation cadets may be required to serve on active duty for a continuous period of four years from date of appointment: *Provided further*, That the Secretary of the Navy may release any member from active duty either in time of war or in time of peace.

SEC. 6. In time of peace no officer or man of the Naval Reserve shall be discharged except upon expiration of his term of service or upon his own request or for full and sufficient cause, in the discretion of such administrative authority as the Secretary of the Navy may designate: *Provided*, That within a reasonable time prior to discharge for cause, officers shall be given an opportunity to be heard by the Secretary of the Navy, or such administrative authority or other agency as he may designate, which opportunity will be considered as having been given through the mailing of notice to their address on file in the Navy Department: *Provided further*, That officers and enlisted men of the Naval Reserve on active duty shall be subject to separation therefrom in the same manner as may be provided by or in pursuance of law for the separation of officers and enlisted men of the Regular Navy: *And provided further*, That members of the Fleet Reserve and officers and enlisted men who may have heretofore been transferred to the retired list of the Naval Reserve Force or the Naval Reserve or the honorary retired list with pay or may hereafter be so transferred, shall at all times be subject to the laws, regulations, and orders for the government of the Navy, and shall not be discharged therefrom prior to the expiration of their term of service, without their consent, except by sentence of a court martial, or, in the discretion of the Secretary of the Navy, when sentenced by civil authorities to confinement in a State or Federal penitentiary as a result of a conviction for a felony.

SEC. 7. Commissioned officers of the Naval Reserve, including those on the honorary retired list or who may have been retired, when

employed on active duty or on training duty with pay or when employed in authorized travel to and from such duty shall be deemed to have been confirmed in grade and qualified for all general service and shall receive the pay and allowances, including longevity pay, as provided by law for the reserve forces of the United States, and shall when traveling under orders or under competent authority receive transportation in kind, mileage, or actual expenses as provided by law for travel performed by officers of the Regular Navy. Midshipmen, warrant officers, nurses, and enlisted men of the Naval Reserve, including those on the honorary retired list, or who may have been retired, when employed on active duty or on training duty with pay or when employed in authorized travel to and from such duty, shall receive the same pay and allowances as received by midshipmen, warrant officers, nurses, and enlisted men of the Regular Navy of the same rank, grade, or rating, and of the same length of service which shall include service in the Navy, Marine Corps, Coast Guard, Naval Reserve Force, Naval Militia, National Naval Volunteers, Naval Reserve, Marine Corps Reserve Force, or Marine Corps Reserve. Aviation cadets shall receive the pay and allowances and other emoluments provided for them by the Act of April 15, 1935 (49 Stat. L. 157; U. S. C., Supp. III, title 34, ch. 15, sec. 861a): *Provided*, That for the purposes of computing increases in pay of commissioned officers on account of length of service, active service in the grade of aviation cadet shall be considered as commissioned service: *Provided further*, That when officers or men of the Naval Reserve perform active duty or training duty with pay for a period of less than thirty days such duty performed on the 31st day of any month shall be paid for at the same rate as for other days: *And provided further*, That officers and enlisted men of the Naval Reserve, while employed on active duty or on training duty, with pay, which involves the actual flying in aircraft in accordance with regulations prescribed by the Secretary of the Navy shall receive the same increase of pay of their grades, ranks, or ratings as may be received by officers and enlisted men in similar grades, ranks, and ratings in the Regular Navy for the performance of similar duty.

SEC. 8. Appropriations made to the various bureaus and offices of the Navy Department for part-time or intermittent employment of scientists, technicians, and other personnel in connection with the work of such bureaus and offices shall be available for the active-duty pay and allowances of such members of the Naval Reserve as, in the discretion of the Secretary of the Navy, may be placed on temporary active duty for the purpose of prosecuting such work.

SEC. 9. The Secretary of the Navy shall prescribe all necessary and proper regulations, not inconsistent with the provisions of this Act, for the recruiting, organization, government, administration, training, inspection, and mobilization of the Naval Reserve, and shall detail such officers and enlisted men of the Regular Navy and the Naval Reserve, and shall make available such vessels, material, armament, equipment, and other facilities of the Regular Navy as he may deem necessary and advisable for the development of the Naval Reserve in accordance with the provisions of this Act: *Provided*, That all officers and employees of the United States or of the District of Columbia who are members of the Naval Reserve shall be entitled to leave of absence from their respective duties without loss of pay, time, or efficiency rating, on all days during which they may be employed with or without pay under the orders or authorization of competent authority, on training duty for periods not to exceed fifteen days in any one calendar year.

Pay and allowances.

Midshipmen, warrant officers, etc.

Pay and allowances on active duty.

Aviation cadets, pay and allowances. 49 Stat. 157.

34 U. S. C., Supp. III, § 861a.

*Proviso.* Service credits in computing pay increases.

Pay for less than 30 days.

Employment on active duty involving actual flying in aircraft, etc.

Availability of appropriations.

General provisions. Regulations for organization, etc., of Naval Reserve.

Details of personnel, ships, etc., from the Navy.

*Proviso.* Leaves of absence for training duty.



Maximum numerical strength, objective.

SEC. 10. Subject to appropriations made annually by the Congress, it is the purpose and intent of this Act that the United States Naval Reserve and the United States Marine Corps Reserve shall be administered with the definite objective of reaching the maximum numerical strength of trained and qualified officers and enlisted men in the several classes, as may be determined by the Secretary of the Navy, within a period of not more than ten years and, as nearly as may be possible, by equal annual increments.

Effective date of Act.

SEC. 11. This Act shall take effect on July 1, 1938, which date shall be construed as the date of the passage or approval thereof.

Title II—Fleet Reserve.

## TITLE II—FLEET RESERVE

Composition.

SEC. 201. The Fleet Reserve shall be composed of officers and enlisted men transferred or assigned thereto in accordance with the provisions of this Act: *Provided*, That subject to their own consent, ex-officers and ex-enlisted men of the Regular Navy who have been honorably discharged therefrom after not less than four years' service therein, may, in the discretion of the Secretary of the Navy, be appointed or enlisted in the Naval Reserve in the ranks or ratings last held by them in the Regular Navy, and assigned to the Fleet Reserve created by this Act.

Computation of terms of service.

SEC. 202. For all purposes of this Act a complete enlistment during minority shall be counted as four years' service and any enlistment terminated within three months prior to the expiration of the term of such enlistment shall be counted as the full term of service for which enlisted: *Provided*, That all transfers from the Regular Navy to the Fleet Naval Reserve or to the Fleet Reserve, and all transfers of members of the Fleet Naval Reserve or the Fleet Reserve to the retired list of the Regular Navy, heretofore or hereafter made by the Secretary of the Navy, shall be conclusive for all purposes, and all members so transferred shall, from the date of transfer, be entitled to pay and allowances, in accordance with their ranks or ratings and length of service as determined by the Secretary of the Navy: *Provided further*, That the Secretary of the Navy, upon discovery of any error or omission in the service, rank, or rating for transfer or retirement, is authorized to correct the same and upon such correction the person so transferred or retired shall be entitled to pay and allowances, in accordance with his rank or rating and length of service as determined by the Secretary of the Navy.

*Proviso.*  
Transfers conclusive.

Correction of errors.

Transfers of certain enlisted men to Reserve, after 16 years' service.

SEC. 203. Men serving in the Regular Navy, who, having enlisted therein on July 1, 1925, or prior thereto, or who having been discharged therefrom prior to July 1, 1925, and reenlisted in the Regular Navy within three months from the date of discharge, or who were serving in the Naval Reserve Force on July 1, 1925, in an enrollment entered into within four months from the date of their discharge from the Regular Navy and thereafter reenlisted in the Regular Navy within three months from the date of their discharge from the Naval Reserve created by the Act of February 28, 1925, shall be entitled to be transferred to the Fleet Reserve on the completion of sixteen or more years' naval service, and when so transferred shall, except when on active duty, be entitled to receive, if they have had sixteen but less than twenty years' naval service, pay at the rate of one-third the base pay they were receiving at the time of transfer, plus all permanent additions thereto, and if they have had twenty or more years' naval service, pay at the rate of one-half of the base pay they were receiving at the time of transfer, plus all permanent additions thereto: *Provided*, That the pay authorized in this section shall be increased 10 per centum for all men who may be credited with extraordinary heroism in the line of duty or whose average marks in

Pay, etc.

After 20 years' service or more.

*Proviso.*  
Increase, for extraordinary heroism, etc.

conduct for twenty or more years shall not be less than 95 per centum of the maximum: *Provided further*, That the determination of the Secretary of the Navy as to the definition of extraordinary heroism shall be final and conclusive for all purposes.

SEC. 204. Men serving in the Regular Navy on the date of the passage of this Act, who first enlisted in the Navy after July 1, 1925, or who reenlisted therein after July 1, 1925, having been out of the Regular Navy for more than three months, and men who first enlist in the Regular Navy after the passage of this Act, may upon their own request be transferred to the Fleet Reserve upon the completion of at least twenty years' naval service: *Provided*, That they are physically and otherwise qualified to perform duty in time of war. After such transfer, except when on active duty, they shall be paid at the rate of one-half of the base pay they are receiving at the time of transfer: *Provided further*, That all enlisted men transferred to the Fleet Reserve in accordance with the provisions of Sections 1 and 203 of this Act shall, upon completion of thirty years' service, be transferred to the retired list of the Regular Navy, with the pay they were then legally entitled to receive and the allowances to which enlisted men of the Regular Navy are entitled on retirement after thirty years' service: *And provided further*, That all enlisted men transferred to the Fleet Reserve in accordance with the provisions of this section shall, upon completion of thirty years' service, be transferred to the retired list of the Regular Navy, with the pay they were then legally entitled to receive, plus all permanent additions thereto, and the allowances to which enlisted men of the Regular Navy are entitled on retirement after thirty years' service.

SEC. 205. The Secretary of the Navy, under such regulations as he may prescribe, may require any person hereafter when enlisting in the Regular Navy and may authorize any enlisted man in such service to obligate himself to serve four years in the Fleet Reserve upon termination of his enlistment in the Regular Navy: *Provided*, That upon termination of their enlistment in the Regular Navy, men who have so obligated themselves shall be transferred to the Fleet Reserve for the four-year period, unless they apply for reenlistment or extension of their enlistment in the Regular Navy, in which event they may be reenlisted or may extend their enlistment in the Regular Navy: *Provided further*, That, except as otherwise provided for in this Act, the men so transferred to the Fleet Reserve for the four-year period, and officers and men assigned thereto under the provisions of section 201 of this title shall not, in time of peace, be ordered to active duty, except with their own consent, and shall be under no obligation to perform training duty or drill during that period, but shall be paid in advance \$20 per annum.

SEC. 206. In time of peace all enlisted men transferred to the Fleet Reserve after sixteen years' or more service in the Regular Navy may be required to perform not more than two months' active duty in each four-year period and shall be examined physically at least once during each four-year period: *Provided*, That any pay which may be due any member of the Fleet Reserve shall be forfeited when so ordered by the Secretary of the Navy, upon failure, under such conditions as may be prescribed by the Secretary of the Navy, of such member to report for inspection: *Provided further*, That enlisted men heretofore or hereafter transferred to the Fleet Reserve after sixteen years' or more service in the Regular Navy, who are found not physically qualified upon such examination, shall be transferred to the retired list of the Regular Navy, with the pay they are then receiving, and in addition men coming under the cognizance of sections 1 and 203 of this Act, shall, upon the completion of thirty years' service, receive the allowances to which enlisted men of the Regular Navy are

Finality of determination.

Transfers to Fleet Reserve after 20 years' service.

Provisos. Qualifications, pay, etc.

Transfers to retired list after 30 years' service.  
*Ante*, pp. 1175, 1178.

Pay and allowances.

Obligation for period of service in Fleet Reserve.

Provisos. Transfers to Fleet Reserve; exception.

Active duty restrictions, in peace time.

Limited active duty in time of peace.

Physical examination. Provisos. Forfeiture of pay for failure to report for inspection.

Transfer to retired list if found physically unqualified; pay, etc.

*Ante*, pp. 1175, 1178.

Additions to base pay and allowances on retirement after 30 years' service.

Transfer from Fleet Reserve to Regular Navy retired list, service included.

Double-time credit.

Ration allowance when hospitalized.

Title III—Provisions Applicable Only to the Organized Reserve, Merchant Marine Reserve, and Volunteer Reserve.

Application of regulations, etc., to members of Naval Reserve when on active duty, etc.

Provisos. Disciplinary action for offenses.

Involuntary retention or return to duty status.

Initial uniform allowance for officers.

Additional allowance thereafter.

Provisos. Condition.

Limitation.

Uniforms for aviation cadets. Further sum in time of war, etc.

entitled on retirement after thirty years' service: *Provided further*, That all men coming under the cognizance of section 204 of this title shall receive all permanent additions to their base pay, and the allowances to which enlisted men of the Regular Navy are entitled on retirement after thirty years' service: *Provided further*, That in the computation of service requisite for transfer of enlisted men of the Fleet Reserve to the retired list of the Regular Navy, service in the Army, Navy, Marine Corps, Coast Guard, Naval Reserve Force, Fleet Naval Reserve, Fleet Reserve, Marine Corps Reserve Force, and the Marine Corps Reserve and on the retired list of the Regular Navy shall be included: *And provided further*, That such service as may heretofore have been authorized by law to be counted as double time shall be credited as double time in this computation.

SEC. 207. Members of the Fleet Reserve and retired enlisted men shall receive the ration allowance prescribed by law for enlisted men of the Regular Navy when such men are hospitalized in a Federal hospital in accordance with law.

### TITLE III—PROVISIONS APPLICABLE ONLY TO THE ORGANIZED RESERVE, MERCHANT MARINE RESERVE, AND VOLUNTEER RESERVE

SEC. 301. All members of the Naval Reserve, when employed on active duty, authorized training duty, with or without pay, drill, or other equivalent instruction or duty, or when employed in authorized travel to or from such duty, or appropriate duty, drill, or instruction, or during such time as they may by law be required to perform active duty, or while wearing a uniform prescribed for the Naval Reserve, shall be subject to the laws, regulations, and orders for the government of the Navy: *Provided*, That disciplinary action for an offense committed while subject to the laws, regulations, and orders for the government of the Navy shall not be barred by reason of release from duty status of any person charged with the commission thereof: *Provided further*, That for the purpose of carrying the provisions of this section into effect, members of the Naval Reserve may be retained on or returned to a duty status without their consent, but not for a longer period of time than may be required for disciplinary action.

SEC. 302. In time of peace, upon first reporting for active or training duty with pay, after enactment hereof, at a location where uniforms are required to be worn, or after the authorized performance of fourteen drills, a commissioned or warrant officer of the Naval Reserve shall be paid a sum not to exceed \$100 as reimbursement for the purchase of the required uniforms, and thereafter he shall be paid an additional sum of \$50 for the same purpose upon the completion of each period of not less than four years in the Naval Reserve: *Provided*, That this latter amount of \$50 shall not become due any officer until he has completed not less than one hundred and fifty drills or periods of other equivalent instruction or duty or appropriate duties and fifty-six days' active or training duty, or seventy-five drills and eighty-four days' active or training duty, or one hundred twelve days' active or training duty: *Provided further*, That any officer who has heretofore received a uniform gratuity shall not be entitled to either of the above-mentioned sums until the expiration of four years from the date of the receipt of the last such gratuity: *Provided further*, That uniforms for aviation cadets shall be provided as heretofore or hereafter authorized by law: *And provided further*, That in time of war or national emergency a further sum of \$150 for the

purchase of required uniforms shall be paid to officers of the Naval Reserve when they first report for active duty.

SEC. 303. In time of peace midshipmen, merchant marine cadets, nurses, and enlisted men of the Naval Reserve may be issued articles of uniform, bedding, and equipment in accordance with regulations to be prescribed by the Secretary of the Navy: *Provided*, That upon first reporting for active duty in time of war or national emergency enlisted men of the Naval Reserve may be issued such additional articles as are required to give them the same outfit as is authorized for enlisted personnel of the Regular Navy upon first enlistment, and midshipmen, merchant marine cadets, and nurses shall be issued such additional articles as the Secretary of the Navy may prescribe.

SEC. 304. If in time of peace any member of the Naval Reserve is physically injured in the line of duty while performing active military or naval service, or dies as the result of such physical injury, he or his beneficiaries shall be entitled to all the benefits prescribed by law for civil employees of the United States who are physically injured in the line of duty or who die as a result thereof, and the United States Employees' Compensation Commission shall have jurisdiction in such cases and shall perform the same duties with reference thereto as in the cases of civil employees of the United States so disabled: *Provided*, That where a person who is eligible for the benefits prescribed by this section is also eligible for pension under the provisions of the Act of June 23, 1937, entitled "An Act to amend the provisions of the pension laws for peacetime service to include Reserve officers and members of the enlisted Reserves" (50 Stat. 305), he shall elect which benefit he shall receive, and for the purposes of this section and of said Act all members of the Naval Reserve shall be considered as performing active military or naval service while performing active duty with or without pay, training duty with or without pay, drills, equivalent instruction or duty, appropriate duty, or other prescribed duty, or while performing authorized travel to or from such duties: *Provided further*, That for the purpose of determining the benefits to which entitled under the provisions of this section Naval Reservists so physically injured while performing the foregoing duties in a nonpay status will be held and considered as receiving the pay and allowances they would have received if in a pay status: *Provided further*, That Naval Reservists who become ill or contract disease in line of duty during the performance of active duty or training duty with or without pay shall be entitled, at Government expense, to such medical, hospital, or other treatment as is necessary for the appropriate treatment of such illness or disease until the disability resulting from such illness or disease cannot be materially improved by hospitalization or treatment, and to the necessary transportation and subsistence incident to such medical and hospital treatment and return to their homes when discharged therefrom: *Provided further*, That no treatment or hospitalization for such illness or disease shall be continued for more than ten weeks following discharge from active or training duty except on the approved recommendation of a board of medical survey, consisting of one or more medical officers of the Navy or on authorization of the Surgeon General of the Navy based on the certificate of a reputable physician that the illness or disease is a continuation of the illness or disease which was sustained or contracted during the period of active or training duty and that further benefit will result from continued treatment: *And provided further*, That in no case shall sickness or disease be regarded as an injury within the meaning of this section relating to the Naval Reserve.

Issuance of uniforms, etc., in time of peace.

*Proviso.*  
Additional issue in time of war.

Compensation for physical injuries while on active duty, in time of peace.

Jurisdiction.

*Provisos.*  
Choice where also eligible for pension.

50 Stat. 305.

Injuries while performing designated duties in a nonpay status.

Medical, etc., treatment of illness or disease.

Limitation.

Sickness or disease not deemed an injury.

Grades of commissioned officers.

Limitation.

Appointments in Merchant Marine and Volunteer Reserves.

Volunteer Marine Corps Reserve.

Distribution of officers.

Provisos. Determination of authorized number.

Recommendation by selection board for initial appointment in grade of rear admiral, etc.

No reductions in rank.

Post, p. 1183.

Midshipmen, appointments from Reserve enlisted men.

Proviso. Yearly limit.

Physical examination of officers.

SEC. 305. Subject to the provisions of section 306 hereof, in time of peace commissioned officers appointed to the Naval Reserve shall be commissioned to serve during the pleasure of the President, in grades or ranks not above that of lieutenant commander, except that a small percentage of officers in the higher grades or ranks may, if qualified, be commissioned in the grades or ranks of rear admiral, captain, and commander. Warrant officers, aviation and merchant marine cadets, and midshipmen shall be appointed to serve during the pleasure of the Secretary of the Navy. Except as otherwise provided in this Act, the total number of officers in such higher grades or ranks in the Organized Reserve shall not exceed one-half of 1 per centum of the actual number of enlisted men regularly assigned to the divisions or other units of the Organized Reserve and entitled to pay as provided in section 313 of this title. The number of officers appointed or promoted to grades or ranks above that of lieutenant commander in the Merchant Marine and Volunteer Reserves, or above that of major in the Volunteer Marine Corps Reserve, shall not exceed mobilization needs for such officers for duties appropriate to these grades or ranks.

SEC. 306. In time of peace there shall be allowed in the Naval Reserve one officer of the grade or rank of rear admiral, and in the Marine Corps Reserve one officer in the grade or rank of brigadier or major general. The remaining officers shall be distributed in the various grades or ranks in such manner as the Secretary of the Navy may prescribe. Whenever a final fraction occurs in computing the authorized number of officers in the various grades or ranks, the nearest whole number shall be regarded as the authorized number: *Provided*, That to determine the authorized number of officers in the grades or ranks above lieutenant commander as provided in this title, computations shall, under such regulations as the Secretary of the Navy may prescribe, be made at least once during each calendar year and the resulting numbers as so computed shall be held and considered for all purposes as the authorized number of officers in such higher grades or ranks, and shall not be varied between the dates of such computations: *Provided further*, That no officer shall be initially appointed in the Naval Reserve in the grade or rank of rear admiral, captain, or commander, nor in the Marine Corps Reserve in the grade or rank of major general, brigadier general, colonel, or lieutenant colonel, nor promoted to such grade or rank, except upon recommendation therefor by a selection board: *And provided further*, That no officer shall be reduced in rank as a result of any computation so made and that nothing contained in this Act shall be construed as reducing the present grade, rank or rating of any officer or man in the Naval Reserve, or as otherwise affecting the commissions now held by them or as restricting the promotion of officers in the Naval Reserve in time of war as provided for in section 312 of this title.

SEC. 307. Hereafter the Secretary of the Navy is authorized to appoint midshipmen to the Naval Academy from enlisted men of the Naval Reserve and Marine Corps Reserve under similar conditions so far as applicable as prescribed by law for appointments from enlisted men of the Navy: *Provided*, That not more than fifty midshipmen shall be appointed in any one year under the authority contained in this section, except that in the event the quota of midshipmen from the enlisted men of the Regular Navy is not filled in any one year the Secretary of the Navy shall have the authority to fill such vacancies with additional men from the Naval Reserve.

SEC. 308. All officers of the Naval Reserve shall be examined physically once every four years or oftener, as may be deemed necessary,

and if upon such examination they are found not physically qualified for active service they shall be honorably discharged or, within the discretion of the Secretary of the Navy, placed on the honorary retired list provided for in section 309 of this title: *Provided*, That in determining an officer's qualifications for active service, due consideration shall be given to the character of the duty to be assigned him in the event of war or national emergency and, in the discretion of the Secretary of the Navy, to his age in grade. The Secretary of the Navy may, in his discretion, discharge or place an officer of the Naval Reserve on the honorary retired list on account of age in grade when such officer has attained the age of forty years if in the grade of ensign or lieutenant (junior grade), forty-six years if in the grade of lieutenant, fifty-two years if in the grade of lieutenant commander, or fifty-eight years if in the grade of commander.

SEC. 309. An honorary retired list for the Naval Reserve is hereby established and officers and enlisted men of the Naval Reserve shall be placed on this retired list of the Naval Reserve without pay or allowances, upon reaching the age of sixty-four years, or upon their own request, after thirty years' service in the Naval Reserve, except as otherwise provided in this Act: *Provided*, That service in the Army, Navy, Marine Corps, Coast Guard, Naval Auxiliary Service, Naval Reserve Force, Naval Militia, National Naval Volunteers, Naval Reserve, Marine Corps Reserve Force, and Marine Corps Reserve shall be counted as service in the Naval Reserve under the provisions of this section: *Provided further*, That Naval Reservists who have been specially commended for their performance of duty in actual combat with the enemy by the head of the executive department under whose jurisdiction such duty was performed, shall, when placed upon the honorary retired list, be advanced to the next higher grade.

SEC. 310. Officers and men of the honorary retired list created by section 309 of this title, who have performed a total of not less than thirty years' active service in the Army, Navy, Marine Corps, Coast Guard, Naval Auxiliary Service, Naval Reserve Force, Naval Militia in Federal status, National Naval Volunteers, Naval Reserve, Marine Corps Reserve Force, and Marine Corps Reserve, or who have had not less than twenty years' such active service, the last ten years of which shall have been performed during the eleven years immediately preceding their transfer to the Honorary Retired List of the Naval Reserve created by section 309 of this title or to the honorary retired list in existence on the date of approval of this Act, shall, except while on active duty, be entitled to pay at the rate of 50 per centum of their active-duty rate of pay as prescribed in section 7, title I, of this Act: *Provided*, That the pay of members of the honorary retired list prescribed by this section shall be paid from the appropriations made for the maintenance of the Naval Reserve.

SEC. 311. In time of peace, officers of the Naval Reserve shall take precedence according to such regulations as the Secretary of the Navy may prescribe: *Provided*, That when mobilized with the Regular Navy for war or a national emergency, each officer of the Naval Reserve shall take precedence next after that officer of the Regular Navy of the same rank or grade whose length of service in such rank or grade on the date of such mobilization is one-half or the nearest one-half of that of the Reserve officer.

SEC. 312. In time of war or national emergency, officers of the active list of the Naval Reserve or the Marine Corps Reserve employed on active duty shall be advanced in their respective corps in grade and rank in the same manner as is or may be prescribed for officers of the Regular Navy or the Marine Corps, respectively, in such numbers for

*Proviso.*  
Determination of qualifications for active service.

Retirement on account of age in grade.

Honorary retired list, establishment. Retirement for age or length of service.

*Provisos.*  
Service included in computing retirement eligibility.

Reservists specially commended for duty in actual combat with the enemy.

Officers and men of the honorary retired list having prescribed active service, pay.

*Ante*, p. 1176.

*Proviso.*  
Appropriations made available.

Peacetime precedence of officers of Naval Reserve.

*Proviso.*  
Precedence when mobilized, etc.

Advancement in time of war.

Precedence when advanced.	each grade or rank, as may be prescribed from time to time by the Secretary of the Navy, and when so advanced they shall take precedence among themselves and with other officers of the Navy and Marine Corps, in accordance with date of such advancement or promotion: <i>Provided</i> , That no officer of the Naval Reserve or the Marine Corps Reserve shall be advanced to a higher rank until he has qualified therefor by such mental, moral, professional, and physical examinations as the Secretary of the Navy may prescribe: <i>Provided further</i> , That all officers of the Naval Reserve and the Marine Corps Reserve who may be advanced to a higher grade or rank under the provisions of this title shall be allowed the pay and allowances of the higher grade or rank from the dates of rank stated in their commissions:
<i>Provisos.</i> Examinations prior to promotion.	<i>And provided further</i> , That the provisions of this section shall not apply to officers who have been or may hereafter be retired from the Naval or Marine Corps Reserve Force or the Naval or Marine Corps Reserve.
Pay and allowances.	SEC. 313. Officers and enlisted men of the Naval Reserve shall receive compensation at the rate of one-thirtieth of the monthly base pay of their grades, ranks, or ratings, not to exceed \$10, for attending, under competent orders, each regular drill duly prescribed under the authority of the Secretary of the Navy for the organization to which attached, or for the performance of an equal amount of such other equivalent instruction or duty, or appropriate duties, as may be prescribed by the Secretary of the Navy: <i>Provided</i> , That no such officer or enlisted man shall receive pay for more than sixty drills or periods of other equivalent instruction or duty or appropriate duties in any one fiscal year: <i>Provided further</i> , That for those performing aerial flights in the capacity of pilots duly prescribed as a part of their training, the pay and the pay limits prescribed by this section shall be increased by 50 per centum for any quarter during which not less than four hours of such flying has been performed:
<i>Provisos.</i> Limitation.	<i>And provided further</i> , That no officer shall receive an increase of pay by reason of the performance of aerial flights, greater than the increase for such reason that may, under the provisions of this section, be paid to reserve officers of the grade of captain in the Naval Reserve or colonel in the Marine Corps Reserve.
Aerial flight training, pay increase.	SEC. 314. In addition to the pay to which they may otherwise become entitled, such officers of the Naval Reserve as may be designated by the Secretary of the Navy, regularly assigned to and commanding organizations prescribed by the Secretary of the Navy, shall receive compensation at the rate of \$240 per year for the faithful performance of the administrative duties connected therewith. Pay under the provisions of this section or the preceding section shall not accrue to any officer or enlisted man during a period when he shall be lawfully entitled to pay for active duty or training duty.
Limitation.	SEC. 315. In time of peace, except as herein otherwise provided, members of the Naval Reserve in receipt of pay for the performance of drills, equivalent instruction or duty, or appropriate duties may be required to perform such training duty, not to exceed fifteen days annually, as may be prescribed by the Secretary of the Navy: <i>Provided</i> , That they may be given additional training or other duty, either with or without pay, as may be authorized, with their consent, by direction of the Secretary of the Navy: <i>Provided further</i> , That when authorized training or other duty without pay is performed by members of the Naval Reserve they may in the discretion of the Secretary of the Navy, be furnished with transportation to and from such duty, with subsistence and transfers en route, and, during the performance of such duty, be furnished subsistence in kind or commutation thereof at a rate to be fixed from time to time by the Secretary of the Navy.
Commanding officers having administrative duties, extra compensation.	
Restriction.	
Annual training duty.	
<i>Provisos.</i> Additional training or other duty. Transportation and subsistence allowance when performing duty without pay.	

SEC. 316. That for the purpose of advising the Secretary of the Navy on the formulation of Naval Reserve policies there shall be convened annually at the Navy Department a Naval Reserve Policy Board, at least half the members of which shall be Naval Reserve officers called to this duty from an inactive-duty status.

Naval Reserve Policy Board, purpose, meetings, etc.

#### ORGANIZED RESERVE

Organized Reserve.

SEC. 317. The Organized Reserve shall consist of officers and men required to perform annual training and other duties and available for immediate mobilization.

Composition, duties, etc.

#### MERCHANT MARINE RESERVE

Merchant Marine Reserve.

SEC. 318. The Merchant Marine Reserve shall be composed of those members of the Naval Reserve who follow, or who have within three years followed the sea as a profession, or who are employed in connection with the seafaring profession, or men who are desirable for training for service on board public vessels of the United States, or such other seagoing vessels documented under the laws of the United States as may be approved by the Secretary of the Navy.

Composition, qualification of members, etc.

SEC. 319. The Secretary of the Navy shall prescribe a suitable flag or pennant which may be flown as an emblem of the Merchant Marine Reserve on seagoing merchant vessels documented under the laws of the United States under such regulations as he may prescribe: *Provided*, That such vessel be first designated by the Secretary of the Navy as suitable for service as a naval auxiliary in time of war: *Provided further*, That the master or commanding officer and not less than 50 per centum of the other licensed officers are members of the Navy or the Naval Reserve: *And provided further*, That such flag or pennant shall not be flown in lieu of the national ensign.

Flag or pennant authorized for vessels.

*Provisos.*  
Vessel suitable as auxiliary.

Navy or Naval Reserve personnel required.

Flying of flag or pennant.

#### VOLUNTEER RESERVE

Volunteer Reserve.

SEC. 320. The Volunteer Reserve shall be composed of those members of the Naval Reserve not assigned to the Organized or Merchant Marine Reserve who are qualified or partially qualified for prescribed mobilization duties.

Composition, etc.

#### TITLE IV—NAVAL MILITIA

Title IV—Naval Militia.

Composition.

SEC. 401. Of the organized militia, as provided by law, such part as may be duly prescribed in any State, Territory, or the District of Columbia shall constitute a Naval Militia. Any officer or enlisted man of such Naval Militia may, in the discretion of the Secretary of the Navy, be appointed or enlisted in the Naval Reserve and assigned to the Organized Reserve in the grade, rank, or rating not above the rank of lieutenant for which he may be qualified in accordance with such regulations as may be prescribed by the Secretary of the Navy: *Provided*, That each officer and enlisted man of the Naval Militia appointed or enlisted in the Naval Reserve and assigned to the Organized Reserve shall be required within one year after the date of his appointment or enlistment in the Naval Reserve to qualify, in accordance with the regulations governing the Organized Reserve, for the grade, rank, or rating which he holds therein: *Provided further*, That officers and men of the Naval Reserve who are members of the Naval Militia of any State, Territory, or the District of Columbia shall stand relieved from all service or duty in said Naval Militia when on active duty in time of war or national emergency, or when ordered to such duty: *And provided further*, That such vessels, material, armament, equipment, and other facilities of the Navy as are or may be made available for the Naval Reserve shall also be available

Appointments in Naval Reserve, etc.

*Provisos.*  
Qualification for rank, etc.

Members of Naval Reserve relieved from militia duty in time of war, etc.

Use of facilities of the Navy.



## Requirements.

in accordance with regulations prescribed by the Secretary of the Navy for issue or loan to the several States, Territories, or the District of Columbia, for the use of the Naval Militia, but no such facilities of the Navy shall be furnished for use by any portion or unit of the Naval Militia unless at least 95 per centum of its personnel belongs to the Naval Reserve and is attached to or associated with an organization of the Organized Reserve and unless its organization, administration, and training conform to the standards prescribed by the Secretary of the Navy for such units.

Approved, June 25, 1938.

## [CHAPTER 691]

## AN ACT

June 25, 1938  
[H. R. 10642]  
[Public, No. 733]

To amend an Act entitled "District of Columbia Alley Dwelling Act", approved June 12, 1934, and for other purposes.

District of Columbia Alley Dwelling Act, amendment.  
48 Stat. 930.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the first section of the District of Columbia Alley Dwelling Act, approved June 12, 1934, is hereby amended to read as follows:

## "TITLE I

Legislative determination.

"SECTION 1. (a) It is hereby declared to be a matter of legislative determination that the conditions existing in the District of Columbia with respect to the use of buildings in alleys as dwellings for human habitation are injurious to the public health, safety, morals, and welfare; and it is hereby declared to be the policy of the United States to protect and promote the welfare of the inhabitants of the seat of the Government by eliminating all such injurious conditions by employing all means necessary and appropriate for the purpose; and control by regulatory processes having proved inadequate and insufficient to remedy the evils, it is in the judgment of Congress necessary to acquire property in the District of Columbia by gift, purchase, or the use of eminent domain in order to effectuate the declared policy by the discontinuance of the use for human habitation in the District of Columbia of buildings in alleys, and thereby to eliminate the communities in the inhabited alleys in said District, and to provide decent, safe, adequate, and sanitary habitations for persons or families substantially equal in number to those who are to be deprived of habitation by reason of the demolition of buildings under the terms of this title, and to prevent an acute shortage of decent, safe, adequate, and sanitary dwellings for persons of low income, and to carry out the policy declared in the Act approved May 18<sup>1</sup>, 1918, as amended, of caring for the alley population in the District of Columbia, and to that end it is necessary to enact the provisions hereinafter set forth.

40 Stat. 550.

Power of President to purchase, condemn, etc., land and buildings.

"(b) In order to remedy the conditions and evils hereinbefore recited and to carry out the policy hereinbefore declared, the President is hereby authorized and empowered to acquire by purchase, gift, condemnation, or otherwise—

"(1) any land, building, or structures, or any interest therein, situated in or adjacent to any inhabited alley in the District of Columbia;

"(2) any land, buildings, or structures, or any interest therein, within any square containing an inhabited alley, the acquisition of which is reasonably necessary for utilization, by replatting,

<sup>1</sup> So in original.

improvement or otherwise, pursuant to the provisions of this Act, of any property acquired under subparagraph (1) of this subsection; and

“(3) any other land, together with any structures that may be located thereon, in the District of Columbia that may be necessary to provide decent, safe, adequate, and sanitary housing accommodations for persons or families substantially equal in number to those who are to be deprived of habitation by reason of the demolition of buildings pursuant to the provisions of this title.

“(c) The Authority is authorized and empowered to replat any land acquired under this Act; to pave or repave any street or alley thereon; to construct sewers and water mains therein; to install street lights thereon; to demolish, move, or alter any buildings or structures situated thereon and erect such buildings or structures thereon as deemed advisable: *Provided, however,* That the same shall be done and performed in accordance with the laws and municipal regulations of the District of Columbia applicable thereto.

Powers of the Authority.

*Proviso.*  
Application of D. C. laws, etc.

Lease, conveyance, etc., of lands or structures.

*Provisos.*  
Public sales of real property.

Sales to quasi-public institution without advertising.

Transfer to United States or D. C. if for government purposes; payment.

“(d) The Authority is hereby authorized and empowered to lease, rent, maintain, equip, manage, exchange, sell, or convey any such lands, buildings, or structures acquired under this title, for such amounts and upon such terms and conditions as it may determine: *Provided,* That sales of real property shall be made at public sale to the highest responsible bidder on terms satisfactory to the Authority after advertising for three consecutive weeks in at least one daily newspaper of general circulation published in the District of Columbia: *Provided, however,* That the Authority may, without advertising, sell such property to a quasi-public institution or agency not organized or operated for private profit at not less than the cost of such property to the Authority, including improvements: *And provided further,* That if any such lands, buildings, or structures are required for the purposes of the United States or of the District of Columbia, they may be transferred thereto upon payment to the Authority of the reasonable value thereof.

“(e) The Authority is authorized and empowered to aid in providing, equipping, managing, and maintaining houses and other buildings, improvements, and general community utilities on the property acquired under the provisions of this title, by loans, upon such terms and conditions as it may determine, to limited dividend corporations whose dividends do not exceed 6 per centum per annum, or to home owners to enable such corporations or home owners to acquire and develop sites on the property: *Provided, however,* That no loan shall be made at a lower rate of interest than 5 per centum per annum, and that all such loans shall be secured by reserving a first lien on the property involved for the benefit of the United States.”

Aid in property development by loans to limited dividend corporations.

*Proviso.*  
Interest rate on loans.  
Security.

48 Stat. 932.

Acceptance of gifts.  
Loans from Treasury authorized.

Appropriations authorized.

*Proviso.*  
Interest.  
50 Stat. 888.  
42 U. S. C., Supp. III, § 1401.  
48 Stat. 932.

SEC. 2. Section 3 (b) of such Act is hereby amended by adding thereto the following: “The Authority is hereby authorized and empowered to accept gifts of money from private sources; to borrow from the Treasury of the United States not to exceed \$1,000,000 in the fiscal year ending June 30, 1939, and a like sum in each of the four succeeding fiscal years, upon such terms and conditions as the President may deem advisable, and appropriations for such purpose are hereby authorized out of the general fund of the Treasury: *Provided,* That the Authority shall be obligated for the payment of interest at the going Federal rate as defined in the United States Housing Act of 1937.”

SEC. 3. Section 3 (d) of such Act is amended to read as follows:

“(d) The total amount paid for property or properties acquired, except by condemnation, in any square shall not exceed 30 per centum over and above the current assessed value of all the property or prop-

Limitation on amount of payment for property.

erties acquired, except by condemnation, in such square to carry out the provisions of this Act."

SEC. 4. Section 3 of such Act is amended by adding thereto the following:

"(e) In carrying out the provisions of this Act, the Authority is hereby authorized and empowered (1) to procure services or make any purchase without regard to the provisions of section 3709 of the Revised Statutes, provided the aggregate amount involved is not more than \$100, (2) to purchase books of reference, directories, and periodicals that are necessary in connection with its work, and (3) to secure architectural and engineering services on specific projects, without regard to the Civil Service laws and the Classification Act of 1923, as amended: *Provided*, That this authorization shall not apply to the employment of architects and engineers by the Authority on a permanent basis."

SEC. 5. Such Act of June 12, 1934, is further amended by adding at the end thereof the following new title:

## "TITLE II

### Title II.

#### Definitions.

"Housing project."

50 Stat. 888.  
42 U. S. C., Supp.  
III, § 1401.

"Development."

Additional powers  
of Authority.

Authority con-  
sidered a public hous-  
ing agency.

Acceptance of Fed-  
eral financial assist-  
ance.

Lease, etc., of proj-  
ects of U. S. Housing  
Authority, etc.

*Proviso.*  
Tax exemption of  
property deemed a  
contribution by the  
District of Columbia.  
50 Stat. 891, 893.  
42 U. S. C., Supp.  
III, §§ 1410, 1411.

Contributions by  
D. C. authorized.

"SEC. 201. As used in this title—

"(a) The term 'housing project' shall mean any low-rent housing (as defined in the United States Housing Act of 1937), the development or administration of which is assisted by the United States Housing Authority.

"(b) The term 'development' shall mean any or all undertakings necessary for planning, financing (including payment of carrying charges), land acquisition, demolition, construction, or equipment, in connection with a housing project, but not beyond the point of physical completion.

"SEC. 202. In addition to its other powers, the Authority shall have the power to acquire sites for and to prepare, carry out, acquire, lease, and operate housing projects, as defined in section 201 of this title, and to construct or provide for the construction, reconstruction, improvement, alteration, or repair of any such housing project, or any part thereof, in the District of Columbia.

"SEC. 203. For the purposes of this title the Authority shall be considered a public housing agency within the meaning of, and to carry out the purposes of, the United States Housing Act of 1937; and as such, the Authority is empowered to borrow money or accept contributions, grants or other financial assistance from the United States Housing Authority for or in aid of any housing project in the District of Columbia, in accordance with the United States Housing Act of 1937, to take over or lease or manage any such housing project or undertaking constructed, owned, or operated by the United States Housing Authority, and to those ends to comply with such conditions and enter into such mortgages, trust indentures, leases, or agreements as may be necessary, convenient, or desirable: *Provided*, That the tax exemption of the property of the Authority shall be deemed a contribution by the District of Columbia in accordance with the local contributions requirements of section 10 (a) or section 11 (f) of the United States Housing Act of 1937. It is the purpose and intent of this title to authorize the Authority to do any and all things necessary to secure the financial aid of the United States Housing Authority in the undertaking, construction, maintenance, or operation in the District of Columbia of any housing project by the Authority.

"SEC. 204. For the purpose of aiding and cooperating in the planning, undertaking, construction, or operation of housing projects, the District of Columbia, or any department, instrumentality, or agency

thereof, may, upon such terms, with or without consideration, as it may determine, as a contribution—

“(a) Dedicate, sell, convey, or lease any needed property to the Authority;

“(b) Cause parks, playgrounds, or recreational, community, educational, water, sewer, or drainage facilities, or any other works which it is otherwise empowered to undertake, to be furnished adjacent to or in connection with housing projects;

“(c) Furnish, dedicate, close, pave, install, grade, regrade, plan, or replan streets, roads, roadways, alleys, sidewalks, or other places which it is otherwise empowered to undertake;

“(d) Enter into agreements with the Authority respecting action to be taken pursuant to any of the powers granted by this Act;

“(e) Cause services of a character which it is otherwise empowered to furnish to be furnished to the Authority;

“(f) Enter into agreements with the Authority respecting the elimination of unsafe, insanitary, or unfit dwellings; and

“(g) Do any and all things necessary or convenient to aid and cooperate in the planning, undertaking, construction, or operation of such housing projects.

“SEC. 205. The Commissioners of the District of Columbia are hereby authorized to lend to the Authority such amounts as may be necessary to enable the Authority to comply with the provisions of the United States Housing Act of 1937, and appropriations for such purpose are hereby authorized out of the Revenues of the District of Columbia, and the Authority is empowered to accept such loans.”

Approved, June 25, 1938.

Loans authorized.

50 Stat. 888.  
42 U. S. C., Supp.  
III, § 1401.  
Appropriations authorized from District revenues.

## [CHAPTER 692]

### AN ACT

To provide for the vesting of title, and the disposition of personal property left or found upon premises used as Veterans' Administration facilities, and for other purposes.

June 25, 1938

[H. R. 10907]

[Public, No. 734]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That personal property left by any decedent upon premises used as a Veterans' Administration facility, which premises are subject to the exclusive legislative jurisdiction of the United States and are within the exterior boundaries of any State, Territory, insular possession, or dependency of the United States, shall vest and be disposed of as provided herein subject to the limitations and exceptions as herein provided.

Veterans' Administration facilities.  
Vesting of title and disposition of personal property left by decedents.

(a) If such person died leaving a last will and testament probated under the laws of the place of his domicile or under the laws of the State, Territory, insular possession, or dependency of the United States within the exterior boundaries of which such said premises or a part thereof may be, the personal property of such decedent situated upon such premises shall vest in the person or persons entitled thereto under the provisions of said last will and testament.

Disposition by will.

(b) If such person died leaving any such property not disposed of by a last will and testament probated in accord with the provisions of this section such property shall vest in the persons entitled to take the same by inheritance under and upon the conditions provided by the laws of the decedent's domicile: *Provided*, That this subsection shall not apply to property to which the United States is entitled except where such title is divested out of the United States.

Property not disposed of by will.

*Provido.*  
Property to which United States is entitled; exception.

Delivery of property.

No Federal liability.

Disposal of decedent's property left or found upon premises.

Transfer to person designated by veteran.

If person designated does not exist or fails to request such property.

Disposition if Administrator declines to transfer to such designate.

If two or more persons request the property.

Claim by two or more relatives with equal priorities.

Sale of unclaimed property.

Terms of sale.

Disposition of proceeds of sales.

(c) Any officer or employee of the United States in possession of any such property may deliver same to the executor (or the administrator with will annexed) who shall have qualified in either jurisdiction as provided in (a) hereof; or if none such then to the domiciliary administrator or to any other qualified administrator who shall demand such property. When delivery shall have been made to any such executor or administrator in accordance herewith neither the United States nor any officer or employee thereof shall be liable therefor.

SEC. 2. Notwithstanding the provisions of section 1 of this Act the Administrator of Veterans' Affairs is hereby authorized as hereinafter in this Act provided and limited to dispose of the personal property of such decedent left or found upon such premises.

(a) If any veteran (admitted as a veteran), upon his last admission to, or during his last period of maintenance in, a Veterans' Administration facility shall have designated in writing a person (natural or corporate) to whom he desires his personal property situated upon such facility to be delivered, upon the death of such veteran the Administrator of Veterans' Affairs or employee of the Veterans' Administration authorized by him so to act, may transfer possession of such personal property to the person so designated. If there exists no person so designated by the veteran or if the one so designated declines to receive such property, or if he has failed to request such property within ninety days after the Veterans' Administration mails to such designate a notice of death and of the fact of such designation, a description of the property, and an estimate of transportation cost, which shall be paid by such designate if required under the regulations hereinafter mentioned, or if the Administrator declines to transfer possession to such designate, possession of such property may in the discretion of the Administrator of Veterans' Affairs, or his designated subordinate, be transferred to the following persons in the order and manner herein specified unless the parties otherwise agree as in this Act provided, namely, executor or administrator, or, if no notice of appointment received, to the widow (or widower), child, grandchild, mother, father, grandmother, grandfather, brother, or sister of the veteran. In case two or more of those named above request the property, only one shall be entitled to possession thereof and in the order hereinbefore set forth, unless they otherwise agree in writing delivered to the Veterans' Administration. If claim be made by two or more such relatives having equal priorities, as hereinabove prescribed, or if there be conflicting claims the Administrator of Veterans' Affairs or his designated subordinate may in such case select the one to receive such possession, or may make delivery as may be agreed upon by those entitled, or may in his discretion withhold delivery from them and require the qualification of an administrator or executor of the veteran's estate and thereupon make delivery to such.

(b) If the property of any decedent is not so delivered or claimed and accepted the Administrator of Veterans' Affairs or the employee authorized by him may dispose of such property by public or private sale in accordance with the provisions of this Act and regulations to be prescribed by the Administrator of Veterans' Affairs pursuant hereto.

(c) All sales authorized by this Act shall be for cash upon delivery at the premises where sold and without warranty, express or implied. The proceeds of such sales after payment of any expenses incident thereto as may be prescribed by regulations, together with any other moneys left or found on a facility, not disposed of in accordance with this Act, shall be credited to the general post fund, National Homes,

Veterans' Administration, a trust fund provided for in Public Law Numbered 473, Seventy-third Congress, section 20 (45), June 26, 1934 (U. S. C., title 31, sec. 725s). In addition to the purposes for which the said fund may be used under the existing law, disbursements may be made therefrom as authorized by the Administrator of Veterans' Affairs by regulation or otherwise for the purpose of satisfying any legal liability incurred by any employee in administering the provisions of this Act, including any expense incurred in connection therewith: *Provided*, That legal liability shall not exist when delivery or sale shall have been made in accordance with this Act.

(d) If, notwithstanding such sale, a claim is filed with the Administrator of Veterans' Affairs, within five years after notice of sale as herein required, by or on behalf of any person or persons who if known would have been entitled to the property under section 1 or to possession thereof under section 2 of this Act, the Administrator shall determine the person or persons entitled under the provisions of this Act and may pay to such person or persons so entitled the proceeds of sale of such property, less expenses. Such payment shall be made out of the said trust fund, and in accord with the provisions of section 1 or 2 of this Act: *Provided*, That persons under legal disability to sue in their own name may make claim for the proceeds of sale of such property at any time within five years after termination of such legal disability.

(e) Any such property, the sale of which is authorized under this Act and which remains unsold, may be used, destroyed, or otherwise disposed of in accordance with regulations to be promulgated by the Administrator of Veterans' Affairs.

SEC. 3. All persons having or bringing personal property on the premises of a Veterans' Administration facility shall be given reasonable notice of the provisions of this Act. In case of a mentally incompetent person, notice hereof shall be given the guardian or other person having custody or control of such person or, if none, to his nearest relative if known. The admission to or continued maintenance in such facility after reasonable notice of the provisions of this Act shall constitute consent to the provisions hereof. The death of any person on any such facility or the leaving of property thereon shall be prima facie evidence of a valid agreement for the disposition of such property in accordance with the provisions of this Act.

SEC. 4. Any other unclaimed property found on the premises under the control of the Veterans' Administration shall be stored by the officer in charge of such premises and may be sold, used, destroyed, or otherwise disposed of in accordance with regulations to be promulgated by the Administrator of Veterans' Affairs if the owner thereof fails to claim same within ninety days. If undisposed of the same may be reclaimed by the owner, his personal representative or next of kin, upon payment of reasonable storage charges to be prescribed by regulations. If sold, the net proceeds thereof shall be credited to said post fund to be expended as other assets of such fund: *Provided, however*, That the person who was entitled to such property, or his legal representative, or assignee, shall be paid the proceeds of sale thereof, less expenses if claim therefor be made within five years from the date of finding. If the owner shall have died intestate without creditors or next of kin surviving, such proceeds shall not be paid to his legal representative.

SEC. 5. Any unclaimed personal property as described in section 2 of this Act of veterans who have heretofore died or who may hereafter die while maintained as such in a national home for disabled volunteer soldiers, or a United States Veterans' Bureau hospital, or a Veterans'

48 Stat. 1233.  
31 U. S. C. § 725s.

Use of fund to satisfy any legal liability.

*Proviso.*  
Delivery, etc., a release.

Claims filed within five years after notice of sale.

Payment from trust fund.

*Proviso.*  
Claims by persons under legal disability.

Disposal of remaining property.

Notice of provisions of Act to persons having or bringing personal property on premises.

Disposition of unclaimed property.

Reclaiming of property.

Sale; disposition of funds.

*Proviso.*  
Payment of proceeds of sale to person entitled, etc.

Condition.

Disposition of decedent's unclaimed property.

Administration facility, and also any unclaimed property heretofore or hereafter found or situated in such home, hospital, facility, or supply depot may be sold, used, destroyed, or otherwise disposed of in accordance with this Act, and subject to regulations promulgated by the Administrator of Veterans' Affairs pursuant hereto; and the net proceeds of sale thereof shall be credited and be subject to disbursement as in this Act prescribed.

Notice of intended sale.

SEC. 6. At least ninety days prior to any sale pursuant to this Act, written or printed notice thereof describing the property to be sold shall be mailed to the owner of the property or, if deceased, to his executor or administrator, or to the nearest kin, if any such appear by the records of the Veterans' Administration. If none such appears from said records, similar notice shall be posted at the facility where the death occurred or property shall have been found (if in existence) and at the place where such property is situated at the time of such notice, and also at the place where probate notices are posted in the county wherein the sale is to be had. The person posting such notice shall make an affidavit setting forth the time and place of such posting and attaching thereto a copy of such notice, and such affidavit shall be prima facie evidence of such posting and admissible in evidence as proof of the same.

Transportation of decedent's effects.

SEC. 7. Upon receipt of a proper claim for such property under the provisions of this Act the Administrator of Veterans' Affairs is hereby authorized, in his discretion and in accordance with regulations to be by him promulgated, to pay mailing or shipping charges not to exceed \$10 in the case of each deceased veteran as hereinabove defined, such payments to be made from the appropriation for Salaries and Expenses, Veterans' Administration.

Relinquishment of jurisdiction for certain purposes.

SEC. 8. Subject to the provisions of this Act and to the extent necessary to effectuate the purposes of this Act, there is hereby relinquished to the respective State, Territory, insular possession, or dependency of the United States such jurisdiction pertaining to the administration of estates of decedents as may have been ceded to the United States by said State, Territory, insular possession, or dependency of the United States respecting the Federal reservation on which is situated any Veterans' Administration facility while such facility is operated by the Veterans' Administration; such jurisdiction with respect to any such property on any such reservation to be to the same extent as if such premises had not been ceded to the United States: *Provided, however,* That nothing in this section shall be construed to deprive any said State, Territory, insular possession, or dependency of the United States of any jurisdiction which it now has nor to give any State, Territory, insular possession, or dependency of the United States authority over any Federal official as such on such premises or otherwise.

Proviso.  
State, etc., jurisdiction.

"Facility", "Veterans' Administration facility" defined.

SEC. 9. The term "facility" or "Veterans' Administration facility" as used in this Act shall mean those facilities over which the Veterans' Administration has direct and exclusive administrative jurisdiction, including hospitals or other facilities on property owned or leased by the United States while operated by the Veterans' Administration.

Administrative regulations.

Decisions not reviewable administratively.

SEC. 10. The Administrator of Veterans' Affairs is authorized to promulgate such regulations, not inconsistent with this Act, as may be appropriate to effectuate the provisions hereof. Decisions by the Administrator of Veterans' Affairs, or any person acting for him pursuant to specific or general delegated authority, under the provisions of this Act, shall not be reviewable administratively by any other officer of the United States.

Saving clause.

SEC. 11. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of the

Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

Approved, June 25, 1938.

[CHAPTER 693]

AN ACT

To amend the Act entitled "An Act to authorize the President to provide housing for war needs", approved May 16, 1918, as amended.

June 25, 1938  
[S. 1294]

[Public, No. 735]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act entitled "An Act to authorize the President to provide housing for war needs", approved May 16, 1918, as amended, is hereby amended by adding at the end thereof the following new sections:

War Housing Act,  
amendment.  
40 Stat. 550.

"SEC. 9. The United States Housing Corporation (hereinafter referred to as the 'Corporation') is authorized and directed to accept from any person holding an existing contract for the property in the Lincoln Gardens project, New Brunswick, New Jersey, a full release of any right or interest any such person may have acquired by reason of any such contract. Upon tender of release by any such person and acceptance by said Corporation, such contract shall become null and void and of no further force or effect, and shall be considered as a forfeiture of any right or interest any person may have acquired under or by reason of such contract.

Lincoln Gardens  
project, New Bruns-  
wick, N. J.  
Acceptance by Cor-  
poration of release of  
rights in, acquired by  
contract.

"SEC. 10. Upon any such tender, acceptance, and forfeiture, the Corporation shall sell to such person the property covered by such forfeited contract for an amount equal to the sum of (a) 15 per centum of the original contract price of such property, (b) any sum which was due the Corporation under such contract and unpaid on the date of such forfeiture, and (c) the value of any other valid liens (but not tax liens) against such property existing on the date of such sale. Such sale shall be made upon the terms and conditions set forth in section 11 hereof, and the purchaser shall have the option to elect whether to pay the purchase price in cash or partly in cash, or to have the payment of the same in whole or in part secured by the mortgage referred to in section 11.

Sale of property  
covered by forfeited  
contract.

Price.

Terms and condi-  
tions.

"SEC. 11. Upon the sale of such property as provided in section 10, the Corporation shall, notwithstanding any alleged tax liens against such property, execute and deliver to the purchaser a warranty deed for such property, free and clear of all encumbrances to the date of such sale. The United States, upon conveyance, shall retain a first lien for any unpaid portion of the purchase price. To secure such lien the purchaser shall execute and deliver a first mortgage to the Corporation for any unpaid portion (or all) of the purchase price. The amount of such mortgage may be increased, as may be determined by the Secretary of the Treasury and the Reconstruction Finance Corporation pursuant to the rules and regulations adopted under the provision of section 13 (b) hereof, but the face amount of any such mortgage shall not exceed 50 per centum of the original contract price at which the property was first sold by the United States. Such first mortgages shall be executed upon a form approved by the Federal Housing Administrator for use in the State of New Jersey, shall bear interest at a rate not to exceed 5 per centum per annum, and shall contain such further terms and conditions as may be necessary to make them legally eligible for insurance under title 2 of the National Housing Act as amended: *Provided*, That at the option of the purchaser such mortgages may be made to mature in not to exceed fifteen years. The Corporation is hereby authorized and directed to apply for such insurance.

Delivery of war-  
ranty deed.

Liens, mortgages,  
etc.

Approval of form.

Interest rate.

Insurance.  
48 Stat. 1247.  
12 U. S. C. §§ 1707-  
1715; Supp. III, §§  
1709-1711, 1713.  
*Proviso.*  
Maturity.



Purchase of mortgages by Reconstruction Finance Corporation.

Disposal.

Sale of mortgages not purchased.

Use of proceeds from sale.  
*Ante*, p. 1193.

Payment to city for public service rendered.

Failure to execute release to Corporation a bar to benefits.  
*Ante*, p. 1193.

Enforcement of rights of United States.

Rules and regulations.

"SEC. 12. (a) The Reconstruction Finance Corporation is hereby authorized to purchase from the United States Housing Corporation, at their face value, such of the aforesaid mortgages as in the opinion of the Board of Directors of Reconstruction Finance Corporation constitute full and adequate security for the indebtedness secured thereby, and to sell or otherwise dispose of any such mortgages so purchased for such price and upon such terms as it may determine.

"(b) Any such mortgages not purchased by Reconstruction Finance Corporation may be sold by the United States Housing Corporation pursuant to rules and regulations adopted under the provisions of section 13 (b) hereof.

"(c) The funds received by the United States Housing Corporation from the sales provided for in sections 10 and 13 hereof, from any collections on mortgages executed and delivered pursuant to section 11 hereof, and from any sales of such mortgages authorized by said section 11, shall be used to clear any liens described in clause (c) of section 10, and to pay any special expenses incurred by the United States Housing Corporation in carrying out the provisions of this Act, including title expenses, recordation costs, and any expenses of the application to Federal Housing Administrator for insurance pursuant to section 11 hereof, and the remainder may, in the discretion of the Secretary of the Treasury and the Reconstruction Finance Corporation and pursuant to the rules and regulations promulgated under section 13 (b) hereof, be paid to the city of New Brunswick, New Jersey, for municipal and school service rendered to the Lincoln Gardens area and the residents thereof prior to the date of the sale of such property as provided in section 10.

"SEC. 13. (a) Anyone who fails or refuses to execute a release to the Corporation as provided in section 9 hereof, for any reasons whatsoever, within ninety days after the date such section takes effect, shall be ineligible to receive the benefits of sections 9 to 11, inclusive, of this Act, and the Corporation shall cause such proceedings to be instituted as may be appropriate to enforce the rights of the United States and if necessary, to divest anyone of any interest which may have been acquired in any property in the Lincoln Gardens project, and sell the property so recovered at public or private sale. The Corporation may, however, in its discretion, extend such time for a further period of not to exceed ninety days.

"(b) The Corporation, with the approval of the Secretary of the Treasury and the Reconstruction Finance Corporation, shall have power to make such rules and regulations as may be deemed advisable in carrying out the provisions of sections 9 to 13, inclusive, of this Act and settling any pending litigation with respect to any property involved."

Approved, June 25, 1938.

#### [CHAPTER 694]

#### AN ACT

To exempt retired officers of the Marine Corps and Coast Guard from certain restrictions with respect to holding office under the United States.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the second sentence of section 2 of the Legislative, Executive, and Judicial Appropriation Act, approved July 31, 1894, as amended, is amended by striking out the words "Army or Navy" and inserting in lieu thereof the words "Army, Navy, Marine Corps, or Coast Guard."

Approved, June 25, 1938.

June 25, 1938  
[S. 1532]  
[Public, No. 736]

Holding other lucrative office.  
28 Stat. 205.  
5 U. S. C., Supp. III, § 62.  
Exemption from restriction on, extended.

## [CHAPTER 695]

## AN ACT

To authorize the Secretary of the Navy to proceed with the construction of certain public works and for other purposes.

June 25, 1938  
[S. 2338]  
[Public, No. 737]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Navy is hereby authorized to proceed with the construction of the following-named public works projects:

Navy.  
Construction of designated public-works projects.

Navy Yard, Pearl Harbor, Hawaii: Purchase of land, at a cost not to exceed \$165,000.

Pearl Harbor, Hawaii, navy yard.

Submarine Base, New London, Connecticut: Submarine training school building and accessories, in substantial accord with Bureau of Yards and Docks Drawing Au-7, approved April 27, 1937; barracks building and accessories, in substantial accord with Bureau of Yards and Docks Drawing Au-8, approved April 27, 1937.

New London, Conn., submarine base.

Fleet Air Base, Coco Solo, Canal Zone: Quarters and accessories for officers, in substantial accord with Bureau of Yards and Docks Drawing Au-10, approved April 27, 1937.

Coco Solo, C. Z., fleet air base.

Fleet Air Base, Pearl Harbor, Hawaii: Final assembly shop building and accessories, in substantial accord with Bureau of Yards and Docks Drawing Au-9, approved April 27, 1937.

Pearl Harbor, Hawaii, fleet air base.

Naval radio and direction-finder stations: Annapolis, Maryland, additional facilities, including buildings and accessories, and purchase of land at a cost not to exceed \$125,000, in substantial accord with Bureau of Yards and Docks Drawing Au-1, approved April 27, 1937; Mare Island, California, master receiving and control station, including buildings and accessories, and purchase of land at a cost not to exceed \$264,000, in substantial accord with Bureau of Yards and Docks Drawing Au-4, approved April 27, 1937; high-frequency transmitting station, including buildings and accessories, in substantial accord with Bureau of Yards and Docks Drawing Au-5, approved April 27, 1937; Oahu, Hawaii, radio receiving station, including buildings and accessories, and purchase of land at a cost not to exceed \$36,000, in substantial accord with Bureau of Yards and Docks Drawing Au-3, approved April 27, 1937; general improvement of radio facilities, including buildings and accessories, at a cost not to exceed \$85,000.

Annapolis, Md., naval radio and direction-finder stations.

Mare Island, Calif.

Oahu, Hawaii.

Naval Supply Depot, San Diego, California: Storage buildings and accessories, in substantial accord with Bureau of Yards and Docks Drawings Au-6a, and Au-6b, approved April 27, 1937.

San Diego, Calif., supply depot.

Navy Yard, Puget Sound, Washington: Acquisition of private rights in building Numbered 138, \$6,057.

Puget Sound, Wash., navy yard.

SEC. 2. There is authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, such sums as may be necessary to effectuate the purposes of this Act.

Appropriation authorized.

Approved, June 25, 1938.

## [CHAPTER 696]

## AN ACT

To amend the China Trade Act, 1922, as to the duration of the China Trade Act corporations.

June 25, 1938  
[S. 2783]  
[Public, No. 738]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That paragraph (5) of subdivision (b) of section 4 of the China Trade Act, 1922, as amended, is amended to read as follows:

"(5) The duration of the corporation, which may be perpetual or for a limited period."

China Trade Act corporations.  
42 Stat. 850.  
15 U. S. C. § 144.  
Articles of Incorporation, contents.  
Duration.

Application of amendment.

Procedure to make existing corporations perpetual.

SEC. 2. The amendment made by section 1 of this Act shall apply to every China Trade Act corporation created after the date of the enactment of this Act. Any China Trade Act corporation existing on the date of the enactment of this Act may make its existence perpetual only upon application to the Secretary of Commerce to amend its charter in that respect and upon payment of a fee equivalent to the incorporation fee. Upon receipt of such application and the payment of such prescribed fee, the Secretary shall approve such application and the charter of the corporation shall be amended accordingly.

Approved, June 25, 1938.

[CHAPTER 697]

AN ACT

To create a Committee on Purchases of Blind-made Products, and for other purposes.

June 25, 1938  
[S. 2819]

[Public, No. 739]

Committee on Purchases of Blind-made Products.  
Creation, composition, etc.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That there is hereby created a Committee to be known as the Committee on Purchases of Blind-made Products (hereinafter referred to as the "Committee") to be composed of a private citizen conversant with the problems incident to the employment of the blind and a representative of each of the following Government Departments: The Navy Department, the War Department, the Treasury Department, the Department of Agriculture, the Department of Commerce, and the Department of the Interior. The members of the Committee shall be appointed by the President, shall serve without additional compensation, and shall designate one of their number to be chairman.

Duties.  
Determination of fair market price of blind-made products offered for sale to Federal Government.  
Revision of prices according to market conditions.  
Rules and regulations.

SEC. 2. It shall be the duty of the Committee to determine the fair market price of all brooms and mops and other suitable commodities manufactured by the blind and offered for sale to the Federal Government by any non-profit-making agency for the blind organized under the laws of the United States or of any State, to revise such prices from time to time in accordance with changing market conditions, and to make such rules and regulations regarding specifications, time of delivery, authorization of a central non-profit-making agency to facilitate the distribution of orders among the agencies for the blind, and other relevant matters of procedure as shall be necessary to carry out the purposes of this Act: *Provided*, That no change in price shall become effective prior to the expiration of fifteen days from the date on which such change is made by the Committee.

*Proviso.*  
Effective date of price revision.

Purchases by Federal departments and agencies.

SEC. 3. All brooms and mops and other suitable commodities hereafter procured in accordance with applicable Federal specifications by or for any Federal department or agency shall be procured from such non-profit-making agencies for the blind in all cases where such articles are available within the period specified at the price determined by the committee to be the fair market price for the article or articles so procured: *Provided*, That this Act shall not apply in any cases where brooms and mops are available for procurement from any Federal department or agency and procurement therefrom is required under the provisions of any law in effect on the date of enactment of this Act, or in cases where brooms and mops are procured for use outside continental United States.

*Proviso.*  
Exceptions.

Approved, June 25, 1938.

## [CHAPTER 698]

## AN ACT

To amend the Act entitled "An Act to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to certain employees in the legislative and judicial branches of the Government", approved July 13, 1937.

June 25, 1938  
[S. 3525]  
[Public, No. 740]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That (a) the last sentence of the first paragraph of section 2 of the Act entitled "An Act to extend the benefits of the Civil Service Retirement Act of May 29, 1930, as amended, to certain employees in the legislative and judicial branches of the Government", approved July 13, 1937, is amended (1) by striking out "sixth" and inserting in lieu thereof "second", and (2) by striking out the period at the end of such sentence and inserting in lieu of such period a colon and the following: *Provided, however*, That any such employee whose salary or any part thereof is paid by the disbursing officer of the Senate and who has become totally disabled for useful and efficient service within the meaning of section 6 of such Act of May 29, 1930, shall come under the provisions of such Act of May 29, 1930, immediately upon the giving of such notice."

(b) The second paragraph of section 2 of such Act of July 13, 1937, is amended (1) by striking out "fifteen" wherever it appears in such paragraph and inserting in lieu thereof "seven".

Approved, June 25, 1938.

Civil Service Retirement Act, amendments.  
Legislative employees, Senate.  
50 Stat. 513.  
5 U. S. C., Supp. III, § 693c.  
Notice, when effective.

*Proviso.*  
Total disability.

46 Stat. 472.  
5 U. S. C. § 710.

Years of service required; deposits.

## [CHAPTER 699]

## AN ACT

To confer jurisdiction on the Court of Claims to hear, determine, and enter judgment upon the claims of Government contractors whose costs of performance were increased as a result of enactment of the National Industrial Recovery Act, June 16, 1933.

June 25, 1938  
[S. 3628]  
[Public, No. 741]

*Be it enacted by the Senate and House of Representative<sup>1</sup> of the United States of America in Congress assembled*, That jurisdiction is hereby conferred upon the Court of Claims to hear, determine, and enter judgments against the United States upon the claims of contractors, including completing sureties and all subcontractors and materialmen performing work or furnishing material to the contractor or another subcontractor, whose contracts were entered into on or before August 10, 1933, for increased costs incurred as a result of the enactment of the National Industrial Recovery Act: *Provided*, That (except as to claims for increased costs incurred between June 16, 1933, and August 10, 1933) this section shall apply only to such contractors, including completing sureties and all subcontractors and materialmen, whose claims were presented within the limitation period defined in section 4 of the Act of June 16, 1934 (41 U. S. C., secs 28-33).

SEC. 2. Suits upon such claims may be instituted at any time within six months after the enactment of this Act or, at the option of the claimant, within six months after the completion of the contract. Proceedings for the determination of such claims, and appeals from and payment of any judgment thereon, shall be in the same manner as in the cases of claims over which such court has jurisdiction, as provided by law.

SEC. 3. Judgments or decrees, if any, under this Act, shall be allowed upon a fair and equitable basis, and notwithstanding the bars or defenses of any alleged settlement or adjustment heretofore

Claims of Government contractors, etc.  
Jurisdiction conferred on Court of Claims to hear, etc., claims for increased costs incurred.  
48 Stat. 195.  
15 U. S. C., ch. 15; Supp. III, ch. 15.

*Proviso.*  
Application.

48 Stat. 974.  
41 U. S. C. §§ 28-33.

Time for filing.

Procedure, appeals, etc.

Judgments or decrees.

<sup>1</sup> So in original.

48 Stat. 974.  
41 U. S. C. §§ 28-33.

Interpretation and  
purpose of Act.

made, res adjudicata, laches, or any provisions of Public Act Numbered 369, as enacted on June 16, 1934.

SEC. 4. This Act shall not be interpreted as raising any presumption or conclusion of fact or law but shall be held solely to provide for trial upon facts as may be alleged.

Approved, June 25, 1938.

#### [CHAPTER 700]

##### AN ACT

June 25, 1938  
[S. 3763]  
[Public, No. 742]

To increase the period for which leases may be made for grazing and agricultural purposes of public lands donated to the States of North Dakota, South Dakota, Montana, and Washington by the Act of February 22, 1889, as amended.

Public lands of des-  
ignated States.  
Grazing and agri-  
cultural leases, period  
extended.  
25 Stat. 679; 47 Stat.  
150.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That so much of the second paragraph of section 11 of the Act relating to the admission into the Union of the States of North Dakota, South Dakota, Montana, and Washington, approved February 22, 1889, as amended, as reads "but leases for grazing and agricultural purposes shall not be for a term longer than five years", is amended to read as follows: "but leases for grazing and agricultural purposes shall not be for a term longer than ten years".

Approved, June 25, 1938.

#### [CHAPTER 701]

##### AN ACT

June 25, 1938  
[S. 3798]  
[Public, No. 743]

To amend the Act entitled "An Act to establish a Civilian Conservation Corps, and for other purposes", approved June 28, 1937.

Civilian Conserva-  
tion Corps.  
50 Stat. 320.  
16 U. S. C., Supp.  
III, § 584h.  
Exemption of en-  
rollees in Territories,  
etc., from making  
mandatory allot-  
ments to dependents.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 9 of the Act entitled "An Act to establish a Civilian Conservation Corps, and for other purposes", approved June 28, 1937 (50 Stat. 319), is amended by inserting in the first proviso thereof, after the word "Indians", the following: "and enrollees in the Territories and insular possessions of the United States".

Approved, June 25, 1938.

#### [CHAPTER 702]

##### AN ACT

June 25, 1938  
[S. 3846]  
[Public, No. 744]

Relating to the levying and collecting of taxes and assessments, and for other purposes.

District of Colum-  
bia.  
Protest against spe-  
cial assessments by  
aggrieved property  
owners; exception.

Hearings.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That any property owner aggrieved by any special assessment levied by the District of Columbia for any public improvement, other than a special assessment levied by a jury in a condemnation proceeding, may, within sixty days after service of notice of such assessment as provided in section 3 hereof, file with the Commissioners of the District of Columbia a protest in writing against such assessment setting forth specifically the grounds of such protest and may request a hearing thereon. No ground of protest not specifically set forth need be considered by the Commissioners. If a hearing is requested the same shall be held, in the discretion of the Commissioners, either before them or before one or more agents designated by them. At such hearing, physical facts which may be ascertained by view may be considered whether proven or not. If the hearing is held before an agent or agents, such agent or agents shall report in writing to the Commissioners the substance

of the evidence taken and the arguments made at the hearing, together with the findings (which may include a statement of any physical facts not proven at the hearing but which may be ascertained by view) and the recommendations of such agent or agents. A copy of such report, findings, and recommendations shall be mailed to the protestant ten days before being presented to the Commissioners, and the protestant may, before such report, findings, and recommendations are presented to the Commissioners, file with such agent or agents exceptions to such report and findings, which exceptions shall be presented to the Commissioners with such report, findings, and recommendations. If the Commissioners find that the property of the owner so protesting is not benefited by the improvement for which said assessment is levied, or is benefited less than the amount of such assessment or is unequally or inequitably assessed with relation to other property abutting such improvement, said Commissioners shall abate, reduce, or adjust such assessment in accordance with such findings. In computing the time hereinafter provided in which a special assessment may be paid without interest there shall be excluded therefrom the time between the date of the filing of any such protest and the date of mailing notice of the action thereon by the Commissioners. This section shall be effective only as to assessments levied for work completed subsequent to the passage and approval of this Act.

SEC. 2. The Commissioners of the District of Columbia are authorized, but not directed, whenever in their judgment and discretion any property upon which a special assessment has been levied by the District of Columbia is not benefited by the improvement for which such special assessment was levied, or is benefited less than the amount of such assessment, or is unequally or inequitably assessed with relation to other property abutting such improvement, to abate, reduce, or adjust such assessment in accordance with such finding. This section shall not apply to any assessment levied by a jury in a condemnation proceeding, or to any assessment levied for work completed subsequent to the passage and approval of this Act, or to any assessment levied under the Act of Congress entitled "An Act to provide for special assessments for the paving of roadways and the laying of curbs and gutters", approved February 20, 1931: *Provided, however*, That nothing in this section shall be construed as affecting protests filed under the provisions of said Act of February 20, 1931, within the time prescribed in said Act.

SEC. 3. (a) When any special assessment for a public improvement, with the exception of assessments levied in condemnation proceedings, is levied by the District of Columbia upon any lot or parcel of land, notice of the levying of such assessment shall be served upon the record owner thereof in the manner herein provided and if there be more than one record owner of such lot or parcel of land notice served on one of the owners shall be sufficient. If the address of the owner be unknown or if the owner be a nonresident, such notice shall be served on his tenant or agent. The service of such notice shall be either personal or by leaving the same with some person of suitable age at the residence or place of business of such owner, agent, or tenant. If there be no tenant or agent known to the Commissioners, then they shall give notice of such assessment by advertisement once a week for two successive weeks in some daily newspaper of general circulation published in the District of Columbia. The cost of such publication shall be paid out of the general revenues of the District. The notice herein provided for shall be in lieu of any and all other notice now required by law.

This subsection shall apply to all assessments (other than assessments in condemnation proceedings) notice of which has not been served prior to the approval of this Act.

Copy of report, findings, etc., to protestant.

Adjustment by Commissioners.

Application of section.

Abatement, etc., of special assessment.

Assessments in condemnation proceeding, etc.

46 Stat. 1197.  
*Proviso.*  
Protests filed under provisions of former Act not affected.

Method of serving notices.

Publication in newspapers.

Application of subsection.

Interest on special assessments.

(b) All special assessments authorized to be levied by the District of Columbia for public improvements, with the exception of assessments levied in condemnation proceedings, may be paid without interest within sixty days from the date of service of notice or of the last publication of notice as the case may be. Interest of one-half of 1 per centum for each month or part thereof shall be charged on all unpaid amounts from the expiration of sixty days from the date of service or last publication as the case may be. Any such assessment may be paid in three equal installments with interest thereon. If any such assessment or any part thereof shall remain unpaid after the expiration of two years from date of service of notice or last publication of notice as the case may be, the property against which said assessment was levied may be sold for such assessment or unpaid portion thereof with interest and penalties thereon at the next ensuing annual tax sale in the same manner and under the same conditions as property sold for delinquent general taxes, if said assessment with interest and penalties thereon shall not have been paid in full prior to said sale.

Sale, if unpaid after expiration of two years.

Application of subsection.

This subsection shall apply only to assessments for public improvements completed subsequent to the date of the approval of this Act, and assessments for public improvements completed on or before the date of the approval of this Act shall be levied and collected and bear interest as if this Act had not been passed, except that where service sewers or water mains, or both, have been laid prior to the approval of this Act, but assessments therefor have not been levied for the reason that the property abutting the street, avenue, road, or alley in which the service sewer or water main is laid has not been subdivided, assessments for such sewers or water mains, or both, levied after the approval of this Act because of the subdivision of the property or its connection with the sewer or water main, or both, shall be levied, collected, and bear interest as provided in this subsection.

Special assessments levied in condemnation proceedings, payments, etc.

SEC. 4. Special assessments authorized to be levied in condemnation proceedings instituted by the District of Columbia may be paid without interest within sixty days after the ratification or confirmation of the verdict of the jury. Interest of one-third of 1 per centum for each month or part thereof shall be charged on all unpaid amounts from the expiration of sixty days from the date of the ratification or confirmation of the verdict of the jury. Any such assessment may be paid in five equal installments with interest thereon. If any such assessment or any part thereof shall remain unpaid after the expiration of four years from the date of the ratification or confirmation of the verdict of the jury the property against which said assessment was levied may be sold for such assessment or unpaid portion thereof with interest and penalties thereon at the next ensuing annual tax sale in the same manner and under the same conditions as property sold for delinquent general taxes, if said assessment with interest and penalties thereon shall not have been paid in full prior to said sale. This section shall apply only to assessments ratified or confirmed by the court after the date of the approval of this Act and assessments ratified or confirmed on or before the date of the approval of this Act shall be levied and collected and bear interest as if this Act had not been passed.

Removal of nuisances; assessments authorized for reimbursement.

SEC. 5. All assessments authorized to be levied by the District of Columbia to reimburse it for money expended in the removal of nuisances shall bear interest at the rate of one-half of 1 per centum per month or part thereof from the date such assessment was levied. If any such assessment shall remain unpaid after the expiration of sixty days from the date such assessment was levied the

property against which such assessment was levied may be sold for such assessment with interest and penalties thereon at the next ensuing annual tax sale in the same manner and under the same conditions as property sold for delinquent general taxes, if such assessment with interest and penalties thereon shall not have been paid in full prior to said sale.

SEC. 6. The Commissioners of the District of Columbia are hereby authorized and directed, in any case where a special assessment for public improvements in the District of Columbia, other than an assessment levied by a jury in a condemnation proceeding, has been or hereafter may be quashed, set aside, or declared void by any court for any reason other than the right of the public authorities to levy an assessment for such improvement, to reassess the property in accordance with the benefits received from such improvement, after notice to the owner of the property and an opportunity afforded him to be heard, the hearing to be had before such agent or agents as the Commissioners may designate. At such hearing physical facts which may be ascertained by view may be considered, whether proven or not. Such agent or agents shall report in writing to the Commissioners the substance of the evidence taken and the arguments made at the hearing, together with the findings (which may include a statement of any physical facts not proven at the hearing which may be ascertained by view) and the recommendations of such agent or agents. A copy of such report, findings, and recommendations shall be mailed to the protestant ten days before being presented to the Commissioners, and the protestant may, before such report, findings, and recommendations are presented to the Commissioners, file with such agent or agents exceptions to such report and findings, which exceptions shall be presented to the Commissioners with such report, findings, and recommendations. The reassessment shall be made within one year from the date the judgment or decree quashing, setting aside, or declaring void the assessment becomes final and not subject to review. Notice of such reassessment shall be given the property owner in the same manner as if such reassessment was an original assessment, and such reassessment shall bear interest and be collected in the same manner as if such reassessment was an original assessment.

SEC. 7. The Commissioners of the District of Columbia are authorized, in their discretion, to waive, in whole or in part, interest or penalties, or both, on unpaid taxes and special assessments due the District of Columbia, when, in their judgment, such action would be equitable or just or in the public interest.

SEC. 8. That section 8 of the Act entitled "An Act in relation to taxes and tax sales in the District of Columbia", approved February 28, 1898 (30 Stats. 250), as amended by the Act entitled "An Act to amend an Act entitled 'An Act in relation to taxes and tax sales in the District of Columbia', approved February twenty-eighth, eighteen hundred and ninety-eight", approved July 1, 1902 (32 Stats. 635), be further amended to read as follows:

"SEC. 8. That hereafter the assessor of the District of Columbia shall furnish information with respect to taxes, special assessments, and valuations to any person having any interest in the property with respect to which such information is requested."

SEC. 9. (a) So much of section 3 of the Act entitled "An Act in relation to taxes and tax sales in the District of Columbia", approved February 28, 1898, as amended by the Act entitled "An Act to amend an Act entitled 'An Act in relation to taxes and tax sales in the District of Columbia', approved February twenty-eighth, eighteen hundred and ninety-eight", approved July 1, 1902, as reads,

Reassessments where assessments set aside, etc.

Hearings.

Waiver of interest and penalties on unpaid taxes and special assessments authorized.

30 Stat. 252; 32 Stat. 635.

Furnishing of information with respect to taxes, etc.

30 Stat. 250; 32 Stat. 633.

Redemption of property sold at tax sale.



Interest rate.	<p>"the amount for which it was sold at such sale, exclusive of surplus, and twelve per centum per annum thereon," is hereby further amended to read as follows: "the amount for which it was sold at such sale, exclusive of surplus, and 1 per centum thereon for each month or part thereof,".</p>
30 Stat. 250; 32 Stat. 633.	<p>(b) So much of said section 3 of said Act of February 28, 1898, as amended by the Act of July 1, 1902, as reads "by the payment of the taxes, penalties, and costs due at the time of the sale and that may have accrued after that date, and eight per centum per annum thereon," is hereby further amended to read as follows: "by the payment of the taxes, penalties, and costs due at the time of the sale and that may have accrued after that date, and 1 per centum thereon for each month or part thereof,".</p>
Payment of taxes, etc., interest rate.	
30 Stat. 250; 32 Stat. 633.	<p>(c) So much of said section 3 of said Act of February 28, 1898, as amended by the Act of July 1, 1902, as reads "the amount exclusive of surplus paid by the person or persons to whom such certificate was issued and twelve per centum per annum thereon," is further amended to read as follows: "the amount exclusive of surplus paid by the person or persons to whom such certificate was issued and 1 per centum thereon for each month or part thereof,".</p>
Interest for use of legal holder of certificate of sale.	
Application only to tax sales held hereafter.	<p>(d) These amendments shall apply only to tax sales held after the passage and approval of this Act, and said section 3 of the Act of February 28, 1898, as amended by the Act of July 1, 1902, shall remain in full force and effect as to all tax sales held prior to the passage and approval of this Act.</p>
Uncollectible taxes excluded as assets.	<p>SEC. 10. The Commissioners of the District of Columbia are authorized to direct the collector of taxes of the District of Columbia to omit from his records as assets of the District of Columbia any and all taxes, real and personal, and all special assessments which the Commissioners may determine are uncollectible, but such determination on the part of the Commissioners or the failure of the collector to carry such taxes on his records as assets shall not affect the liability of the taxpayer for the payment of said taxes.</p>
Liability of taxpayer.	
Duties of assessor.	<p>SEC. 11. On and after the date of the approval of this Act all records and accounts in any way relating or pertaining to the book-keeping, accounting, and collection of taxes and assessments now prepared by the assessor of the District of Columbia and now kept in the office of the collector of taxes of the District of Columbia shall be transferred to and kept in the office of the said assessor. The said assessor shall hereafter be charged with the duties heretofore required of the collector of taxes in relation to the preparation and issuance of tax bills and bills for special taxes and assessments, the preparation for public inspection of lists of all real estate in the District of Columbia heretofore sold or which may hereafter be sold for the nonpayment of any general or special taxes or assessments, the furnishing of certified statements over his hand and official seal of all taxes and assessments general and special that may be due at the time of making the said certificate, and the preparation of the lists of taxes on real property in said District subject to taxation on which taxes are levied and in arrears on the 1st day of July in each year. Hereafter on or before September 1 of each year the assessor shall prepare and retain in his office tax accounts in such form as shall be prescribed by the Commissioners of the District showing the assessed owners, amount, description, and value of real property listed for taxation in the District of Columbia, and on or before April 1 of each year the assessor shall prepare and retain in his office personal tax accounts in such form as may be prescribed by the Commissioners of the District showing the names and addresses of assessed owners, and the location and value of the property assessed.</p>
Preparation and issuance of tax bills, etc.	
Lists of delinquent taxes.	
Real property tax accounts.	
Personal tax accounts.	

Approved, June 25, 1938, 5 p. m., E. S. T.

## [CHAPTER 703]

## AN ACT

To authorize the Legislature of Puerto Rico to create public corporate authorities to undertake slum clearance and projects, to provide dwelling accommodations for families of low income, and to issue bonds therefor; to authorize the legislature to provide for financial assistance to such authorities by the government of Puerto Rico and its municipalities, and for other purposes.

June 25, 1938  
[S. 3923]  
[Public, No. 745]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Legislature of Puerto Rico may create public corporate authorities to undertake slum clearance and projects to provide dwelling accommodations for families of low income.

Puerto Rico.  
Slum clearance and housing projects.

SEC. 2. The Legislature of Puerto Rico may provide for the appointment and terms of the commissioners of such authorities, and for the powers of such authorities, except that such authorities shall be given no power of taxation, and may authorize the commissioners of such authorities to fix the salaries of employees.

Commissioners of authorities, and powers of authorities.

SEC. 3. The legislature may appropriate funds for and may make and authorize any municipality of Puerto Rico to make loans, donations, and conveyances of money or property to such authorities; may make and authorize any municipality of Puerto Rico to make available its facilities and services to such authorities and take other action in aid of slum clearance or low-rent housing; and may, without regard to any Federal Acts restricting the disposition of public property or lands in Puerto Rico, provide for the use by or disposal to such authorities of any public lands or other property held or controlled by the people of Puerto Rico, its municipalities, or other subdivisions.

Appropriations, loans, etc., authorized.

Use and disposal of public lands.

SEC. 4. The legislature may authorize such authorities to issue bonds or other obligations with such security as the legislature may provide and may provide for the disposition of the proceeds of such bonds and all receipts and revenues of such authorities.

Bonds.

SEC. 5. Such bonds shall not be a debt of Puerto Rico or any municipality, and shall not constitute a public indebtedness within the meaning of section 3 of the Act of Congress approved March 2, 1917, entitled "An Act to provide a civil government for Porto Rico, and for other purposes", as amended.

Not to constitute a public indebtedness.  
39 Stat. 953.  
48 U. S. C. §§ 741, 741a, 745; Supp. III, §§ 741, 741a, 745.

SEC. 6. All legislation heretofore enacted by the Legislature of Puerto Rico dealing with the subject matter of this Act and not inconsistent herewith is hereby ratified and confirmed.

Confirmation of legislation heretofore enacted.

Approved, June 25, 1938.

## [CHAPTER 704]

## AN ACT

Authorizing advancements from the Federal Emergency Administration of Public Works for the construction of certain municipal buildings in the District of Columbia, and for other purposes.

June 25, 1938  
[S. 4024]  
[Public, No. 746]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Commissioners of the District of Columbia are hereby authorized to accept advancements for the District of Columbia from the Federal Emergency Administration of Public Works, created by the National Industrial Recovery Act, and said Administration with the approval of the President is authorized to advance to said Commissioners the sum of \$18,150,000, or any part thereof, in addition to any sums heretofore advanced to the District of Columbia by said Administration, out of funds authorized by law for said Administration, for the acquisition, purchase, construction, establishment, and develop-

District of Columbia.  
Acceptance of advances from the Federal Emergency Administration of Public Works authorized.  
48 Stat. 200.

Projects enumerated.	ment of public works, including among others a building or buildings for the municipal court, the recorder of deeds, and the juvenile court, or any of them, said buildings to be located on such portions or parts of Judiciary Square, or the area bounded by Fourth and Fifth Streets, D and G Streets, Northwest, or upon such other area or areas as shall be approved by said Commissioners and the National Capital Park and Planning Commission and the making of such advances is hereby included among the purposes for which funds heretofore appropriated or authorized for said Administration, including funds appropriated by the Public Works Administration Appropriation Act of 1938, may be used, in addition to the other purposes specified in the respective Acts appropriating or authorizing said funds.
Locations.	
<i>Ante</i> , p. 816.	
Availability of funds for acquisition of lands, easements, etc.	SEC. 2. The sum authorized by section 1 hereof, or any part thereof shall, when advanced, be available to the Commissioners of the District of Columbia for the acquisition by dedication, purchase, or condemnation of the fee-simple title to land, or rights or easements in land, for the public uses authorized by this Act, and for the preparation of plans, designs, estimates, models, and specifications; and for architectural and other necessary professional services without reference to the Classification Act of 1923, as amended, and section 3709 of the Revised Statutes; for the construction of buildings, including materials and labor, heating, lighting, elevators, plumbing, landscaping, and all other appurtenances, and the purchase and installation of machinery, furniture, equipment, apparatus, and any and all other expenditures necessary for or incident to the complete construction and equipment for use of the aforesaid buildings and plants. All contracts, agreements, and proceedings in court for condemnation or otherwise, pursuant to this Act shall be had and made in accordance with existing provisions of law except as otherwise herein provided.
Preparation of plans.	
Professional services.	
R. S. § 3709. 41 U. S. C. § 5.	
Condemnation, etc., proceedings.	
Repayment of advances; annual installments.	SEC. 3. That the Federal Emergency Administration of Public Works shall be repaid 55 per centum of any moneys advanced under section 1 of this Act in annual installments over a period of not to exceed twenty-five years with interest thereon for the period of amortization: <i>Provided</i> , That such sums as may be necessary for the reimbursement herein required of the District of Columbia, and for the payment of interest, shall be included in the annual estimates of the Commissioners of the District of Columbia, the first reimbursement to be made on June 30, 1941: <i>Provided further</i> , That whenever the District of Columbia is under obligation by virtue of the provisions of section 4 of Public Act Numbered 284, Seventy-first Congress, reimbursement under that Act shall be not less than \$300,000 in any one fiscal year.
<i>Provisos</i> . Inclusion in annual estimates.	
Reimbursement of obligation under former Act.	
46 Stat. 485.	
Report of activities and expenditures.	SEC. 4. That the Commissioners of the District of Columbia shall submit with their annual estimates to the Congress a report of their activities and expenditures under section 1 of this Act.
Limitation on further borrowing.	SEC. 5. That the Commissioners of the District of Columbia are not authorized to borrow any further sum or sums under the provisions of an Act of Congress known as Public Law Numbered 465, Seventy-third Congress, approved June 25, 1934, as amended by Public Law Numbered 51, Seventy-fourth Congress, approved May 6, 1935.
48 Stat. 1215; 49 Stat. 174.	

Approved, June 25, 1938.

## [CHAPTER 705]

## AN ACT

To authorize the Secretary of War to lend certain property to the Reunion Committee of the United Confederate Veterans to be used at their annual encampment to be held at Columbia, South Carolina, from August 30 to September 2, 1938.

June 25, 1938  
[S. 4089]  
[Public, No. 747]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of War is hereby authorized to lend, at his discretion, to the Reunion Committee of the United Confederate Veterans, for use at the United Confederate Veterans' Encampment, to be held at Columbia, South Carolina, from August 30 to September 2, 1938, both dates inclusive, such tents, cots, blankets, comforters, pillows, pillowcases, sheets, hospital and first-aid equipment, mess kits, and other property of a similar character as may be required by such committee for use in connection with such encampment: *Provided*, That no expense shall be caused the United States Government by the delivery and return of said property, the same to be delivered from the nearest quartermaster depot at such time prior to the holding of said encampment as may be agreed upon by the Secretary of War and the Confederate Reunion Committee: *Provided further*, That the Secretary of War, before delivery of such property, shall take from said Reunion Committee of the United Confederate Veterans a good and sufficient bond for the safe return of said property in good order and condition, and the whole without expense to the United States.

United Confederate Veterans, Reunion Committee.  
Loan of certain property for encampment at Columbia, S. C., authorized.

*Provisos.*  
No Federal expense.

Bond.

Approved, June 25, 1938.

## [CHAPTER 706]

## AN ACT

To facilitate the control of soil erosion and/or flood damage originating upon lands within the exterior boundaries of the Nevada and Toiyabe National Forests in Nevada and to promote efficiency and economy of administration of said national forests.

June 25, 1938  
[S. 4136]  
[Public, No. 748]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of Agriculture be, and is hereby, authorized in his discretion to acquire by purchase any lands within the boundaries of the Nevada and Toiyabe National Forests in the State of Nevada which, in his judgment, should become the property of the United States in order that they may be so managed with other lands of the United States as to minimize soil erosion and flood damage or promote efficiency and economy of administration and to pay for said lands from the receipts from the sale of natural resources, other than mineral, and from occupancy of public lands within the Nevada and Toiyabe National Forests, to which end appropriations of said receipts not exceeding \$10,000 per annum are hereby authorized until said lands have been acquired, the funds so appropriated to be available until expended for that purpose.

Nevada and Toiyabe National Forests, Nev.  
Acquisition of lands to minimize soil erosion and flood damage, etc.

Payment.

Appropriations authorized.

Approved, June 25, 1938.

## [CHAPTER 707]

## AN ACT

To adjust the salaries of rural letter carriers.

June 25, 1938  
[H. R. 3610]  
[Public, No. 749]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the first paragraph of section 8 of the Act entitled "An Act reclassifying the salaries of postmasters and employees of the Postal Service, readjusting their salaries and compensation on an equitable basis, increasing

Postal service.  
Reclassification of salaries.  
43 Stat. 1063.  
39 U. S. C. § 197.

postal rates to provide for such readjustment, and for other purposes", approved February 28, 1925, as amended, is hereby amended by inserting after the first sentence thereof the following new sentence: "The Postmaster General may, in his discretion, allow and pay such additional compensation as he may determine to be fair and reasonable in each individual case to rural letter carriers serving heavily patronized routes not exceeding thirty-eight miles in length: *Provided*, That in no case shall the total compensation of a rural letter carrier serving a heavily patronized route of thirty-eight miles or less in length exceed \$2,100 per annum, exclusive of maintenance allowance: *Provided, further*, That the Postmaster General shall report to the Committees on Post Offices and Post Roads of the two Houses the number and names of the routes, on which these increases shall be made, by January 1, 1940, after which date no further increases shall be made."

**Rural letter carriers, additional compensation.**

**Provisos. Limitation.**

**Report to Congress.**

**Effective date.**

SEC. 2. This Act shall take effect on the first day of the calendar month next following the month in which this Act is enacted.

Approved, June 25, 1938.

## [CHAPTER 708]

## AN ACT

June 25, 1938  
[H. R. 5471]  
[Public, No. 750]

To amend the laws relating to the distribution of public documents to depository libraries.

Printing Act of 1895,  
amendment.  
34 Stat. 1014.  
44 U. S. C. § 85.

Distribution of  
copies of publications,  
etc.

**Provisos.  
Limitation.**  
Journals of Senate  
and House of Repre-  
sentatives, publica-  
tions, etc.

Allotment of copies.

Land-grant colleges.

Inconsistent provi-  
sions repealed.  
28 Stat. 608, 609.  
44 U. S. C. §§ 131,  
147, 189.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 4 of the Act (34 Stat. 1014) approved March 1, 1907 (U. S. C., title 44, sec. 85), be, and is hereby, amended to read as follows:

"85. DISTRIBUTION OF COPIES OF PUBLICATIONS TO DESIGNATED DEPOSITORY AND LIBRARIES; LAND-GRANT COLLEGES AS DEPOSITORIES.—Upon request of the Superintendent of Documents, the Public Printer is hereby authorized and directed to either increase or diminish the number of copies of publications furnished for distribution, to designated depositories and State and Territorial libraries so that the number of copies delivered shall be equal to the number of libraries on the list: *Provided*, That the number thus delivered shall at no time exceed the number authorized under existing statute: *Provided further*, That the Public Printer shall furnish the necessary number of copies as above provided, of the Journals of the Senate and House of Representatives, of all publications, not confidential in character, printed upon the requisition of any Congressional committee, of all Senate and House public bills and resolutions, and of all reports on private bills, concurrent or simple resolutions. The allotment of copies furnished for distribution to libraries shall be increased or reduced, from time to time, as the redistricting of States or the rearrangement of depository lists under provisions of law shall demand, to such numbers as may be necessary to comply with the law. All land-grant colleges shall be constituted as depositories for public documents, subject to the provisions and limitations of the depository laws.

"Any provision contained in sections 54, 55, or 57 of the Printing Act of 1895 (28 Stat. 608, 609; U. S. C., title 44, secs. 131, 147, and 189, or any other Act), which may be inconsistent herewith, is hereby repealed to the extent of such inconsistency only."

Approved, June 25, 1938.

## [CHAPTER 709]

## JOINT RESOLUTION

To provide that the United States extend to foreign governments invitations to participate in the Third International Congress for Microbiology to be held in the United States during the calendar year 1939, and to authorize an appropriation to assist in meeting the expenses of the session.

June 25, 1938  
[H. J. Res. 702]  
[Pub. Res., No. 125]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the President is hereby authorized and requested to invite foreign governments to participate in the Third International Congress for Microbiology to be held in New York, New York, September 2 to 9, inclusive, 1939, under the auspices of the International Association of Microbiologists.

Third International Congress for Microbiology.  
Invitation to foreign governments to participate.

Approved, June 25, 1938.

## [CHAPTER 710]

## AN ACT

Authorizing the Secretary of the Interior to pay salaries and expenses of the chairman, secretary, and interpreter of the Klamath General Council, members of the Klamath Business Committee and other committees appointed by said Klamath General Council, and official delegates of the Klamath Tribe.

June 25, 1938  
[S. 3346]  
[Public, No. 751]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of the Interior, or such official as may be designated by him, is hereby authorized beginning as of July 1, 1937, and until otherwise directed by Congress, to pay out of any unobligated tribal funds of the Klamath Indians in the Treasury of the United States the following salaries and expenses:

Klamath Indians.  
Payment of designated salaries and expenses out of tribal funds, authorized.

To the chairman, secretary, and interpreter of the Klamath General Council and members of the Klamath Business Committee or other committees appointed by the general council (except the Klamath Reimbursable Loan Fund Board), when engaged on business of the tribe, a salary of not to exceed \$5 per day and a per diem of not to exceed \$3 in lieu of subsistence and all other expenses; to such official delegates of the Klamath Tribe who may carry on the business of the tribe at the seat of government a salary of not to exceed \$5 per day and a per diem of \$5 in lieu of subsistence and all other expenses: *Provided*, That the rate of salary and per diem paid shall be fixed in advance by the general council of said tribe or by the business committee of the said tribe if authorized by said general council: *Provided further*, That the official delegates of the tribe carrying on said business at the seat of government shall also receive the usual railroad and sleeping-car transportation to and from the seat of government: *Provided further*, That the aforesaid salaries and expenses shall not exceed \$7,500 per annum: *Provided further*, That the length of stay of the official delegates at the seat of government shall be determined by the Commissioner of Indian Affairs.

Klamath General Council.  
Klamath Business Committee, etc.; exception.

*Provisos.*  
Salary, etc., rates to be fixed in advance.

Transportation to and from seat of government.

Limitation.

Length of stay at seat of government.

Approved, June 25, 1938.

## [CHAPTER 773]

## AN ACT

For the relief of Fergus County, Montana.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Board of

June 25, 1938  
[H. R. 8672]  
[Public, No. 752]

Fergus County, Mont.  
Payment to.

*Proviso.*  
Limitation on at-  
torney's, etc., fees.

Penalty for viola-  
tion.

County Commissioners of Fergus County, Montana, the sum of \$1,166.88, in full settlement of all claims against the United States for the cost of labor and supplies furnished during September 1937 in extinguishing a forest fire on land owned by the United States, under jurisdiction of the Department of the Interior, in the Judith Mountains, Fergus County, Montana: *Provided*, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

Approved, June 25, 1938.

#### [CHAPTER 774]

#### JOINT RESOLUTION

June 28, 1938  
[H. J. Res. 281]  
[Pub. Res., No. 126]

To authorize sales and exchanges by the State of Wisconsin notwithstanding certain provisions in the Act of August 22, 1912 (37 Stat. 324).

State of Wisconsin.  
Sale or exchange of  
certain land.  
37 Stat. 324.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That notwithstanding the restrictions and limitations in the Act of August 22, 1912 (37 Stat. 324), entitled "An Act granting unsurveyed and unattached islands to the State of Wisconsin for forestry purposes", the State of Wisconsin is hereby authorized to sell or exchange any of the islands granted to it by the said Act of August 22, 1912, which are not valuable for forestry purposes, on condition that the proceeds from any such sale or that the land acquired by the State in any such exchange shall be devoted to State forestry purposes.

Approved, June 28, 1938.

#### [CHAPTER 775]

#### AN ACT

June 28, 1938  
[S. 3560]  
[Public, No. 753]

To revise the boundaries of the Colonial National Historical Park in the State of Virginia, and for other purposes.

Colonial National  
Historical Park, Va.

49 Stat. 1483; 48  
Stat. 1706.  
16 U. S. C., Supp.  
III, §§ 443, 443a.  
Parkway changes.

*Provisos.*  
Maximum width.

Condemnation pro-  
ceedings; restriction.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That subject to all the laws and regulations applicable to the Colonial National Historical Park, the boundaries of said historical park as established by the Act of June 5, 1936 (49 Stat. 1483), and as defined by Presidential Proclamation Numbered 2055, dated August 22, 1933 (48 Stat. 1706), are hereby revised by the elimination of the parkway area described in said proclamation as running north and west of the city of Williamsburg to Jamestown Island, and the substitution therefor of a parkway area running southerly through or around the city of Williamsburg, thence continuing south of said city to the James River and thence along said river and connecting waters to Jamestown Island, the exact location of which shall be determined by the Secretary of the Interior: *Provided*, That said parkway area shall not exceed an average of five hundred feet in width outside the city of Williamsburg: *And provided further*, That condemnation proceedings shall not be had, exercised, or resorted to as to any lands in the city of Williamsburg except such lands as may be required for a right-of-way not exceeding two hundred feet in width through said city to connect with highways or parkways leading from Williamsburg to Jamestown and Yorktown.

SEC. 2. The Secretary of the Interior is hereby authorized, in his discretion, to acquire by purchase, donation, or otherwise, in behalf of the United States, such lands or interests in lands, easements, and buildings comprising the following: Glass House Point, in James City County; the area known as "The Hook", including the site of the action of October 3, 1781, in Gloucester County; and such additional lands as are desirable for the proper rounding out of the boundaries and for the administrative control of the Colonial National Historical Park: *Provided*, That the total acreage of lands to be added to the park, with the exception of parkways under the terms hereof shall not exceed seven hundred and fifty acres: *Provided further*, That the said acquisition of lands or improvements shall be made from such funds as may be appropriated pursuant to the authorization of the Act of March 3, 1931 (46 Stat. 1490).

Approved, June 28, 1938.

Acquisitions for rounding out boundaries.

*Provisos.*  
Maximum addition.

Funds available.

46 Stat. 1490.  
16 U. S. C. § 443c.

# [CHAPTER 776]

## AN ACT

Conferring jurisdiction upon the United States Court of Claims to hear, examine, adjudicate, and render judgment on any and all claims which the Ute Indians or any Tribe or Band thereof may have against the United States, and for other purposes.

June 28, 1938  
[H. R. 3162]  
[Public, No. 754]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That jurisdiction is hereby conferred on the United States Court of Claims to hear, determine, and render final judgment on all legal and equitable claims of whatsoever nature which the Ute Indians or any tribe or band or any constituent <sup>1</sup> band thereof, may have against the United States, including, but without limiting the generality of the foregoing, claims arising under or growing out of any treaty or agreement of the United States, law of Congress, Executive order, or by reason of any lands taken from them, without compensation, or for the failure or refusal of the United States to protect the interest of any of said bands in lands (as to which any of said bands had the possessory right of use and occupancy), or because of any mismanagement or wrongful handling of any of the funds, land, property, or business enterprises belonging to or held in trust for any of said bands by the United States, or any misfeasance or nonfeasance on the part of the United States with respect thereto, or otherwise.

Ute Indians.  
Jurisdiction conferred on Court of Claims to hear, etc., claims of.

SEC. 2. Suit or suits under this Act may be instituted by any of the aforesaid bands of Indians (each band to have the right to sue for constituent bands comprising said band), either separately or jointly, as party or parties plaintiff against the United States as party defendant, by filing within five years of the enactment of this Act its or their petition or petitions in the Court of Claims and serving with respect to each suit, a copy thereof on the Attorney General of the United States who, either in person or by some attorney from the Department of Justice to be designated by him, shall appear and defend the interests of the United States. Such petition or petitions shall set forth the facts on which the claim or claims for recovery is or are based and shall be verified by the attorney or attorneys employed by said band or bands of Ute Indians, under contracts approved in accordance with existing law, to prosecute said claims, which may be made upon information and belief, and no other verification shall be necessary. The petition or petitions shall be subject to amendment at any time prior to final submission of the case to the Court of Claims. Such petition or petitions may, in addition to alleg-

Presentation of claims.

Time limitation for filing petition.  
Service on Attorney General.

Amendments to petition.

Audit of accounts.

<sup>1</sup> So in original.



ing specific claims, demand a general accounting of all funds and property expended or used by the United States for it or their account, in which event the General Accounting Office or its successor shall within a reasonable time from the time of filing said petition make a complete audit of said accounts and, in addition to the usual copies for the Attorney General, shall deliver a copy thereof to the Secretary of the Interior, and the court, after full hearing, shall state the account, and render judgment in accordance therewith.

Principles of law applicable.

SEC. 3. At the trial of any suit instituted hereunder the court shall apply as respects the United States the same principles of law as would be applied to an ordinary fiduciary and shall settle and determine the rights therein, both legal and equitable, of said bands of Ute Indians against the United States, notwithstanding lapse of time or statutes of limitation. In the determination of the validity of any claim asserted or defense interposed hereunder, the Court shall have the full power and authority of a court of equity.

Joining of other Indians to suit.

SEC. 4. The court shall have authority, by proper orders and process, to make parties to any suit or suits instituted hereunder any other tribe, band, or group of Indians deemed by it necessary or proper to a final determination of the matters in controversy.

Set-offs, etc.

SEC. 5. No payment or payments which have been made by the United States upon or in satisfaction of any claim or claims asserted in any suit brought hereunder or expended for any of the aforesaid bands of Ute Indians or members thereof shall apply as an estoppel against any suit brought hereunder, but there shall be set off against any recovery obtained by any band of said Indians hereunder, any payment made by the United States on any claim asserted by said band and such gratuity expenditures made by the United States for the benefit of said band as are directed to be set off by the Second Deficiency Appropriation Act, fiscal year 1935 (Public, Numbered 270<sup>1</sup>, Seventy-fourth Congress).

49 Stat. 584.

If court finds lands taken without compensation.

SEC. 6. If the court shall find that any lands formerly belonging to the said bands of Ute Indians or any of them, have been taken by the United States without compensation therefor and set apart and reserved as national reservations or for other public uses or otherwise classified, reserved, or withdrawn from entry and sale under the public land laws or disposed of in any manner whereby the said Indians have been deprived of the use or benefits of such lands and the natural resources thereof, it is hereby declared that such action shall be sufficient grounds for equitable relief and the court shall render judgment in favor of said Indians, and shall award to them, as for a taking under the power of eminent domain, compensation for all such lands and natural resources, anything in any other Acts of Congress to the contrary notwithstanding, no lands in Colorado north of and including range 35 formerly owned or claimed by the Ute Indians or any band thereof shall be restored to tribal ownership under the provisions of section 3 of the Act of June 18, 1934 (48 Stat. 984), and said lands to the extent that they have not been disposed of by the United States are hereby declared to be the absolute property of the United States: *Provided*, That there is hereby added to the existing Southern Ute Indian Reservation in tribal ownership of the vacant, undisposed of ceded lands within the following described boundaries:

Certain lands in Colorado not to be restored to tribal ownership.

48 Stat. 984.

*Provisus.*  
Additions to Southern Ute Reservation.

Description.

Beginning at a point on the western boundary line of the State of Colorado, being the northwest corner of the existing Southern Ute Indian Reservation; thence north to the township line separating townships 34 and 35 north, range 20 west; thence east along said township line to the southwest corner of section 35, township 35

<sup>1</sup> So in original.

north, range 19 west; thence north to the northwest corner of section 2, township 35 north, range 19 west; thence east to the northeast corner of section 1, township 35 north, range 18 west; thence north to the northwest corner of section 31, township 36 north, range 17 west; thence east to the northeast corner of section 35, township 36 north, range 17 west; thence south to the north boundary of the existing Southern Ute Indian Reservation; thence west along the north boundary of the said reservation to the west line of section 9, township 34 north, range 17 west; thence north to the northwest corner of section 21, township 35 north, range 17 west; thence west to the southwest corner of section 17, township 35 north, range 17 west; thence south to the southeast corner of the northeast quarter of the northeast quarter of section 19, township 35 north, range 17 west; thence west to the southwest corner of the northeast quarter of the northwest quarter of said section 19; thence north to the north line of said section 19; thence west to the southwest corner of section 17, township 35 north, range 18 west; thence south to the north boundary of the Southern Ute Indian Reservation in section 7, township 34 north, range 18, all west of the New Mexico principal meridian; thence west along the said north boundary to the point of beginning: *Provided further*, That any orders restoring or attempting to restore to tribal ownership any portion of the lands in Colorado north of range 35 are hereby rescinded and annulled.

Orders restoring  
etc., certain Colorado  
lands rescinded.

SEC. 7. In any suit instituted hereunder, any letter, paper, document, map, or record in the possession of any officer or department of the United States (or certified copy thereof) may be used in evidence, and the departments of the Government of the United States shall give full and free access to the attorneys for any of said bands of Indians to such letters, papers, documents, or records as may be useful to said attorney or attorneys in the preparation for trial or trials of such suits and shall afford facilities for the examination of the same.

Admissible evi-  
dence.

SEC. 8. Upon the final determination of any suit, cause, or action instituted hereunder, whether by judgment, compromise, or otherwise, the Court of Claims, in the event of success by any plaintiff, or in the event any claim asserted by any of said bands of Indians shall be compromised or settled without the institution of any suit hereunder, the Secretary of the Interior, shall decree that there shall be paid to the attorney or attorneys employed therein by said plaintiff under contracts negotiated or entered into as provided by existing law, such fees as, based upon a quantum meruit, it or he shall find reasonable, and in addition such actual and necessary expenses incurred by the attorney or attorneys in preparation and prosecution of said claims. In no case shall the fees decreed by said Court of Claims and/or by the Secretary of the Interior be in excess of the amount stipulated in the contracts approved by the Commissioner of Indian Affairs and the Secretary of the Interior, and in no event to exceed 10 per centum of the amount of the recovery, and shall be paid upon money being appropriated for the benefit of any bands of Ute Indians pursuant to any judgment or settlement hereunder whether distributable thereto or not.

Attorneys' fees.

Limitation.

SEC. 9. The net amount of any judgment recovered shall be placed in the Treasury of the United States to the credit of said Indians and shall draw interest at the rate of 4 per centum per annum from date of judgment or settlement and shall, thereafter, be subject to appropriation by Congress for the benefit of said Indians, including the purchase of lands and building homes, and no part of said judgment, without further legislation, shall be paid out in per-capita payments to said Indians.

Deposit of amounts  
recovered to credit of  
Indians; interest, use,  
etc.

Approved, June 28, 1938.

## [CHAPTER 777]

## AN ACT

June 28, 1938  
[H. R. 4540]

[Public, No. 755]

Authorizing the Red Lake Band of Chippewa Indians in the State of Minnesota to file suit in the Court of Claims, and for other purposes.

Red Lake Band of  
Chippewa Indians,  
Minn.  
Jurisdiction conferred upon Court of  
Claims to hear, etc.,  
claims of.

13 Stat. 667.

25 Stat. 642.  
Right of appeal.

*Proviso.*  
Claims limited to  
designated provisions.

Determination  
without regard to  
statutes of limitation,  
etc.

Counter claims.

Amendments to pe-  
tition.

Verification.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That jurisdiction is hereby conferred upon the Court of Claims, to hear, determine, and render final judgment, according to principles of justice and equity and as upon a full and fair arbitration, on all claims of the Red Lake Band of Chippewa Indians in the State of Minnesota against the United States for the value of unceded lands, for losses sustained by reason of erroneous surveys of reservation boundaries, or on claims arising under the treaty of October 2, 1863 (13 Stat. 667), or under any treaty, agreement, Executive order, or Act of Congress, except the Act of January 14, 1889 (25 Stat. 642), with the right of appeal by either party to the Supreme Court of the United States, anything in the Judicial Code of the United States to the contrary notwithstanding for the determination of the amount, if any, which may be legally or equitably due the said Red Lake Band of Chippewa Indians, under any treaties or agreements entered into between said Indians and the United States, or for the failure of the United States to pay any money which may be legally or equitably due the said Red Lake Band of Indians: *Provided*, That in any suit filed under the provisions of this Act, in which there is presented any claim against the United States for the appropriation, expropriation, taking, acquisition, or deprivation of land or any interest therein the jurisdiction hereby conferred to hear and determine any such claim is limited to the determination of the value of said land, the timber thereon, or any interest therein, at the time of the appropriation, expropriation, taking, acquisition, or deprivation, and no judgment shall be rendered by the Court of Claims which includes any increment, interest, or equivalent thereof, from the date of taking to the date of judgment, as an element of just compensation or otherwise.

SEC. 2. In any suit or suits instituted hereunder the Court of Claims shall have authority to determine and adjudge the rights, both legal and equitable, of the claimants in the premises, notwithstanding lapse of time or statutes of limitation.

SEC. 3. The court shall also hear, examine, consider, and adjudicate any claim or claims which the United States may have against the said Red Lake Band, properly chargeable in such suit, including gratuities not heretofore charged; but any payment or payments which have been made by the United States upon such claim or claims shall not operate as an estoppel, but may be pleaded by way of set-off; and any other tribe or band of Indians which the court may deem necessary to a final determination of any suit hereunder may be joined therein as the court shall order.

SEC. 4. A petition or petitions may be filed hereunder in the Court of Claims within five years after the date of this Act which shall be subject to amendment at any time prior to final submission of the case to the Court of Claims; and the Red Lake Band of Chippewa Indians in the State of Minnesota shall be the party plaintiff, and the United States the party defendant. The petition or petitions may be verified by the attorney employed by the said Indians to prosecute their claims, under a contract approved by the Commissioner of Indian Affairs and the Secretary of the Interior, as provided by law, and no other verification shall be necessary.

SEC. 5. Upon final determination of any suit hereunder the Court of Claims shall decree such fees and expenses as the court shall find to be reasonably due to be paid to the attorney or attorneys employed by the said Indians, under contract in accordance with existing law, and the same shall be paid out of any sum or sums of money found due said Red Lake Band: *Provided*, That in no case shall the fees decreed be in excess of 10 per centum of the amount of the judgment.

Approved, June 28, 1938.

Attorneys' fees and expenses.

*Proviso.*  
Limitation.

[CHAPTER 778]

AN ACT

To provide for the residence of the United States commissioners appointed for the national parks, and for other purposes.

June 28, 1938  
[H. R. 5804]  
[Public, No. 756]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That any United States commissioner appointed for any of the several national parks shall reside within the exterior boundaries of the park for which he is appointed or at a place reasonably adjacent to such park, the place of residence to be designated by the Secretary of the Interior.

National parks.  
Residence requirements, United States commissioners.

SEC. 2. Any such commissioner heretofore appointed shall be entitled to receive the salary provided by law, which may have accrued at the date this Act becomes effective, without regard to whether such commissioner may have resided within the exterior boundaries of the park for which appointed.

Accrued salary payment.

SEC. 3. All Acts or parts of Acts inconsistent with the provisions of this Act are hereby repealed to the extent of such inconsistency.

Inconsistent laws, etc., repealed.

Approved, June 28, 1938.

[CHAPTER 779]

AN ACT

To authorize the sale of certain lands of the Eastern Band of Cherokee Indians, North Carolina.

June 28, 1938  
[H. R. 7515]  
[Public, No. 757]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Secretary of the Interior is hereby authorized, in his discretion, with the approval of the Eastern Band of Cherokee Indians expressed through its duly constituted tribal authorities or by a majority vote of the qualified members of the said band voting at an election called by the Secretary of the Interior in which at least 30 per centum of those entitled to vote shall vote, to sell and to convey to the purchasers any lands held by the United States in trust for the Eastern Band of Cherokee Indians lying outside of the Qualla boundary: *Provided*, That a separate approval by the Indians as herein provided must be had as to each tract proposed to be sold. Funds received from sales herein authorized shall be deposited in the Treasury to the credit of the Eastern Band of Cherokee Indians and shall be available for future appropriation for such purposes as the tribal council may approve, including the purchase of other lands for said Indians. Title to any land purchased under this authority shall be taken in the name of the United States of America in trust for the Eastern Band of Cherokee Indians. Any lands so purchased shall have the same status as other tribal lands of the said Eastern Band of Cherokee Indians.

Eastern Band of Cherokee Indians, N. C.  
Sale of certain lands authorized.

*Proviso.*  
Separate approval by Indians as to each tract.  
Deposit of funds received to credit of Indians; use of.

Status of lands purchased.

Approved, June 28, 1938.

## [CHAPTER 780]

## AN ACT

June 28, 1938  
[H. R. 8434]  
[Public, No. 758]

To liberalize the laws providing pensions for the dependents of veterans whose death resulted from service prior to April 21, 1898.

Pensions.  
Rates, designated  
persons.

38 U. S. C., ch. 2;  
Supp. III, ch. 2.

*Proviso.*  
No reduction in  
pension.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That on and after the 1st day of the month following the month in which this Act is enacted persons entitled to pension under the provisions of the general pension law, for death resulting from service prior to April 21, 1898, shall be entitled to pension at the rates provided by paragraph III of Part II of Veterans' Regulation Numbered 1 (a), as amended: *Provided,* That this Act shall not be so construed as to reduce any pension under any Act, public or private.

Approved, June 28, 1938.

## [CHAPTER 781]

## AN ACT

June 28, 1938  
[H. R. 10752]  
[Public, No. 759]

To authorize Federal cooperation in the acquisition of the "Muir Wood Toll Road", located in Marin County, State of California, and for other purposes.

Muir Wood Toll  
Road, Marin County,  
Calif.  
Expenditure au-  
thorized for Federal  
cooperation in ac-  
quiring, as part of free-  
road system.

*Proviso.*  
Conditions.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Interior is authorized to expend, out of any roads and trails funds available to the National Park Service, Department of the Interior, the sum of not to exceed \$25,000 to match, dollar for dollar, such sum as may be required to be expended by the Department of Public Works, State of California, for the purpose of acquiring, as a part of the State or county free-road system, the road known as the "Muir Wood Toll Road", extending from the Marin County Panorama Highway to the Muir Woods National Monument and from there down the Frank Valley to its junction with the State highway near Muir Beach, Marin County, California: *Provided,* That no such funds shall be expended until the State or county shall have taken action necessary to insure that title to the road will be acquired and until the State or county shall have agreed to assume full responsibility for the future maintenance and operation of the road in proper condition to accommodate the traffic thereon.

Approved, June 28, 1938.

## [CHAPTER 782]

## AN ACT

June 28, 1938  
[H. R. 10866]  
[Public, No. 760]

Authorizing the States of Minnesota and Wisconsin, jointly or separately, to construct, maintain, and operate a free highway bridge across the Mississippi River at or near Winona, Minnesota.

Mississippi River.  
Minnesota and Wis-  
consin may bridge, at  
Winona, Minn.

84 Stat. 84.  
33 U. S. C. §§ 491-  
493.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes the States of Minnesota and Wisconsin, jointly or separately, be, and are hereby, authorized to construct, maintain, and operate a free highway bridge and approaches thereto across the Mississippi River at a point suitable to the interests of navigation, at or near Winona, Minnesota, in accordance with the provisions of the Act entitled "An Act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this Act.

SEC. 2. There is hereby conferred upon the States of Minnesota and Wisconsin, jointly or separately, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

Acquisition of approaches, etc.

SEC. 3. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Amendment.

Approved, June 28, 1938.

[CHAPTER 795]

AN ACT

Authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes.

June 28, 1938  
[H. R. 10618]  
[Public, No. 761]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That, hereafter, Federal investigations and improvements of rivers and other waterways for flood control and allied purposes shall be under the jurisdiction of and shall be prosecuted by the War Department under the direction of the Secretary of War and supervision of the Chief of Engineers, and Federal investigations of watersheds and measures for run-off and waterflow retardation and soil erosion prevention on watersheds shall be under the jurisdiction of and shall be prosecuted by the Department of Agriculture under the direction of the Secretary of Agriculture, except as otherwise provided by Act of Congress.

Flood control of rivers, etc.; run-off retardation, etc., on watersheds.  
Jurisdiction and prosecution.

SEC. 2. That section 3 of the Act of June 22, 1936 (Public, Numbered 738, Seventy-fourth Congress), as heretofore amended and as herein further modified, shall apply to all flood control projects, except as otherwise specifically provided by law.

State, etc., cooperation.  
49 Stat. 1571; 50 Stat. 877.  
33 U. S. C., Supp. III, § 701c.

That in case of any dam and reservoir project, or channel improvement or channel rectification project for flood control, herein authorized or heretofore authorized by the Act of June 22, 1936 (Public, Numbered 738, Seventy-fourth Congress), as amended, and by the Act of May 15, 1928 (Public, Numbered 391, Seventieth Congress) as amended by the Act of June 15, 1936 (Public, Numbered 678, Seventy-fourth Congress), as amended, title to all lands, easements, and rights-of-way for such project shall be acquired by the United States or by States, political subdivisions thereof or other responsible local agencies and conveyed to the United States, and provisions (a), (b), and (c) of section 3 of said Act of June 22, 1936, shall not apply thereto. Notwithstanding any restrictions, limitations, or requirement of prior consent provided by any other Act, the Secretary of War is hereby authorized and directed to acquire in the name of the United States title to all lands, easements, and rights-of-way necessary for any dam and reservoir project or channel improvement or channel rectification project for flood control, with funds heretofore or hereafter appropriated or made available for such projects, and States, political subdivisions thereof, or other responsible local agencies, shall be granted and reimbursed, from such funds, sums equivalent to actual expenditures deemed reasonable by the Secretary of War and

Title to lands, easements, etc.

49 Stat. 1570.  
33 U. S. C., Supp. III, §§ 701a-701h.  
45 Stat. 534; 49 Stat. 1508.  
33 U. S. C. §§ 702a-702m, 704; Supp. III, §§ 702a-1-702a-10, 702g-1, 702j-1, 2, 702k-1, 2.

Dam and reservoir projects, channel improvements, etc.

Reimbursement of funds expended.

*Provisos.*  
Indirect or specu-  
lative damages ex-  
cluded.  
Lands included.

Levees or flood  
walls; modifications  
to reduce construction  
cost.

*Provisos.*  
Use of sum saved.

Accomplishment  
through agreements  
with States, etc.

Projects adopted  
and authorized to be  
prosecuted.

*Proviso.*  
Installation of pen-  
stocks.

Merrimack River  
Basin.

Approval of plan.

49 Stat. 1592.

49 Stat. 1572.

Construction of  
flood control reser-  
voirs, etc.

Connecticut River  
Basin.

Approval of plan.

Appropriation au-  
thorized for local pro-  
tection works.

*Proviso.*  
East Hartford,  
Conn., project aban-  
doned.  
49 Stat. 1029.

the Chief of Engineers and made by them in acquiring lands, easements, and rights-of-way for any dam and reservoir project, or any channel improvement or channel rectification project for flood control heretofore or herein authorized: *Provided*, That no reimbursement shall be made for any indirect or speculative damages: *Provided further*, That lands, easements and rights-of-way shall include lands on which dams, reservoirs, channel improvements, and channel rectifications are located; lands or flowage rights in reservoirs and highway, railway, and utility relocation.

SEC. 3. That in any case where the construction cost of levees or flood walls included in any authorized project can be substantially reduced by the evacuation of a portion or all of the area proposed to be protected and by the elimination of that portion or all of the area from the protection to be afforded by the project, the Chief of Engineers may modify the plan of said project so as to eliminate said portion or all of the area: *Provided*, That a sum not substantially exceeding the amount thus saved in construction cost may be expended by the Chief of Engineers, or in his discretion may be transferred to any other appropriate Federal agency for expenditure, toward the evacuation of the locality eliminated from protection and the rehabilitation of the persons so evacuated: *And provided further*, That the Chief of Engineers may, if he so desires, enter into agreement with States, local agencies, or the individuals concerned for the accomplishment by them, of such evacuation and rehabilitation and for their reimbursement from said sum for expenditures actually incurred by them for this purpose.

SEC. 4. That the following works of improvement for the benefit of navigation and the control of destructive floodwaters and other purposes are hereby adopted and authorized to be prosecuted under the direction of the Secretary of War and supervision of the Chief of Engineers in accordance with the plans in the respective reports hereinafter designated: *Provided*, That penstocks or other similar facilities adapted to possible future use in the development of hydro-electric power shall be installed in any dam herein authorized when approved by the Secretary of War upon the recommendation of the Chief of Engineers and of the Federal Power Commission.

#### MERRIMACK RIVER BASIN

The general comprehensive plan for flood control and other purposes, as approved by the Chief of Engineers pursuant to preliminary examinations and surveys authorized by the Act of June 22, 1936, is approved and the project for flood control in the Merrimack River Basin, as authorized by the Flood Control Act approved June 22, 1936, is modified to provide, in addition to the construction of a system of flood control reservoirs, related flood control works which may be found justified by the Chief of Engineers.

#### CONNECTICUT RIVER BASIN

The general comprehensive plan for flood-control and other purposes as set forth in House Document Numbered 455, Seventy-fifth Congress, second session, is approved, and there is hereby authorized \$11,524,000 for the construction of local flood-protection works in said plan: *Provided*, That the flood-protection project for East Hartford, Connecticut, authorized by the River and Harbor Act of August 30, 1935, is hereby abandoned; all as set forth in House Document Numbered 455, Seventy-fifth Congress, second session.

## MARSHY HOPE CREEK, MARYLAND

The protection of the city of Federalsburg, Maryland, by a system of levees and flood walls in combination with channel improvement, in accordance with the report of the Chief of Engineers dated June 7, 1938, made pursuant to a preliminary examination and survey authorized by the Act of June 22, 1936 (Public, Numbered 738, Seventy-fourth Congress), is hereby authorized at an estimated cost of \$220,000.

Marshy Hope  
Creek, Md.

Protection of Fed-  
eralsburg, Md.

49 Stat. 1593.

## HUDSON AND MOHAWK RIVERS

The protection of the city of Waterford, New York, by a system of levees and flood walls in accordance with plans approved by the Chief of Engineers pursuant to preliminary examinations and surveys authorized by resolution adopted March 19, 1937, by the Committee on Flood Control of the House of Representatives, United States, is hereby authorized at an estimated cost of \$315,000.

Hudson and Mo-  
hawk Rivers.

Protection of Water-  
ford, N. Y.

## SAVANNAH RIVER

In view of the flood control and other general benefits to accrue from the project known as the Clark Hill Project on the Savannah River, Georgia-South Carolina, described in the "Report To The President," Through the Secretary of War, The Secretary of the Interior, and The Federal Power Commission, by The Savannah River Special Board, and dated at Washington, District of Columbia, February 29, 1936, The Secretary of War is hereby authorized to reimburse out of flood control appropriations not to exceed \$1,700,000 to the State of South Carolina, or to a local political subdivision thereof for the actual costs to it of the lands, easements and rights of way needed and acquired for this project.

Savannah River.

Clark Hill Project,  
reimbursement to  
South Carolina, etc.

## OHIO RIVER BASIN

The general comprehensive plan for flood control and other purposes in the Ohio River Basin, as set forth in Flood Control Committee Document Numbered 1, Seventy-fifth Congress, first session, with such modifications thereof as in the discretion of the Secretary of War and the Chief of Engineers may be advisable, is approved and for the initiation and partial accomplishment of said plan there is hereby authorized \$75,000,000 for reservoirs and \$50,300,000 for local flood-protection works; the reservoirs and local protection projects to be selected and approved by the Chief of Engineers: *Provided*, That this authorization shall include the diversion of Cache River above Cairo, Illinois, from its outlet into the Ohio River to an outlet into the Mississippi River, and the protection of the area north of the Cairo drainage district by levees extending from said drainage district along the Ohio and Mississippi Rivers to high ground, with an estimated cost of \$2,000,000: *Provided further*, That the provisions of Executive Order Numbered 7183A, dated September 12, 1935, are approved, and the acquisition at the cost of the United States of all lands, easements, and rights-of-way needed for the Bluestone Reservoir project are hereby authorized: *Provided further*, That the Secretary of War is hereby authorized and directed to reimburse the Muskingum Conservancy District in Ohio a sum not to exceed the actual expenditures made by it in acquiring lands, easements and rights-of-way for reservoirs in the Muskingum River Valley, but such reimbursement shall not exceed \$4,500,000, nor include any expenditures for lands, easements and rights-of-way heretofore or hereafter purchased from said District by the United States.

Ohio River Basin.

Approval of plan.

Appropriation au-  
thorized for initiation,  
etc.

*Provisos.*  
Diversion of Cache  
River above Cairo,  
Ill.

Levees.

Bluestone Reser-  
voir.

Muskingum Con-  
servancy District,  
Ohio, reimbursement.



## Upper Mississippi River Basin.

## UPPER MISSISSIPPI RIVER BASIN

Approval of plan.

The general comprehensive plan for flood control and other purposes in the Upper Mississippi River Basin, described in Flood Control Committee Document Numbered 1, Seventy-fifth Congress, first session, with such modifications thereof as in the discretion of the Secretary of War and the Chief of Engineers may be advisable, is approved and there is hereby authorized \$6,600,000 for reservoirs and \$2,700,000 for local flood-protection works on the Upper Mississippi and Illinois Rivers; the reservoirs and local protection projects to be selected and approved by the Chief of Engineers: *Provided*, That this authorization shall include the enlargement and extension of a system of levees located on the south side of the Sangamon River east of the town of Chandlerville, Illinois, as set forth in House Document Numbered 604, Seventy-fifth Congress, third session.

Appropriation authorized.

*Proviso.*  
Extension of levee system.

## Missouri River Basin.

## MISSOURI RIVER BASIN

Approval of plan.

The general comprehensive plan for flood control and other purposes in the Missouri River Basin, as set forth in Flood Control Committee Document Numbered 1, Seventy-fifth Congress, first session, with such modifications thereof as in the discretion of the Secretary of War and the Chief of Engineers may be advisable, is approved and for the initiation and partial accomplishment of said plan there is hereby authorized \$9,000,000 for reservoirs; the reservoirs to be selected and approved by the Chief of Engineers.

Appropriation authorized.

## White River Basin.

## WHITE RIVER BASIN

Approval of plan.

The general comprehensive plan for flood control and other purposes in the White River Basin, as set forth in Flood Control Committee Document Numbered 1, Seventy-fifth Congress, first session, with such modifications thereof as in the discretion of the Secretary of War and the Chief of Engineers may be advisable, is approved and for the initiation and partial accomplishment of said plan there is hereby authorized \$25,000,000 for reservoirs; the reservoirs to be selected and approved by the Chief of Engineers.

Appropriation authorized.

## Arkansas River Basin.

## ARKANSAS RIVER BASIN

Approval of plan.

The general comprehensive plan for flood control and other purposes in the Arkansas River Basin, as set forth in Flood Control Committee Document Numbered 1, Seventy-fifth Congress, first session, with such modifications thereof as in the discretion of the Secretary of War and the Chief of Engineers may be advisable, is approved, and for the initiation and partial accomplishment of said plan there is hereby authorized \$21,000,000 for reservoirs; the reservoirs to be selected and approved by the Chief of Engineers: *Provided*, That this authorization shall include the Canton Reservoir on the North Canadian River in Oklahoma, as set forth in House Document Numbered 569, Seventy-fifth Congress, third session.

Appropriation authorized.

*Proviso.*  
Canton Reservoir included.

Ouachita River, Ark., and La., multiple-use reservoir, Blakely Mountain site.

*Provisos.*  
Participating expenses limited.

For the purposes of preventing or controlling floods, and of facilitating navigation on the Ouachita River in Arkansas and Louisiana, authority is hereby conferred on the Secretary of War and the Chief of Engineers to participate on behalf of the United States in the cost of construction of a multiple-use reservoir at the Blakely Mountain site on the Ouachita River in Arkansas, according to plans and estimates duly approved by the Secretary of War and the Chief of Engineers, pursuant to a resolution of the Committee on Flood Control of the House of Representatives, adopted May 11, 1938: *Provided*, That the sum of money expended in said participation shall not exceed a just and reasonable proportion of the total cost of the multiple-use

reservoir as allocated according to the proportionate storage capacity reserved or utilized for flood-control purposes, nor exceed the estimated value of the flood control to be achieved, nor in any event to exceed the sum of \$2,000,000: *Provided further*, That the Secretary of War is authorized to pay for said participation in said multiple-use reservoir out of any funds authorized for flood control in the Arkansas River Basin when the flood-control portion of the project is completed: *Provided further*, That the Federal Power Commission is hereby authorized and directed to retain and exercise the authority heretofore conferred on it by law with respect to that portion of the project constructed and operated for power purposes: *Provided further*, That the improvements shall be operated and maintained at the expense of the private parties constructing said project in accordance with regulations approved by the Secretary of War and the Chief of Engineers with respect to navigation and flood control and by the Federal Power Commission with respect to the operations for power which regulations shall provide for payments to the United States for the use for power purposes of any flood waters temporarily stored for flood control in the flood control portion of the reservoir, at such rates as the Federal Power Commission shall determine to be fair and reasonable.

## RED RIVER BASIN

The Denison Reservoir on Red River in Texas and Oklahoma for flood control and other purposes as described in House Document Numbered 541, Seventy-fifth Congress, third session, with such modifications thereof as in the discretion of the Secretary of War and the Chief of Engineers may be advisable, is adopted and authorized at an estimated cost of \$54,000,000: *Provided*, That in the consideration of benefits in connection with the Denison Reservoir all benefits that can be assigned to the proposed Altus project and other such projects in Oklahoma shall be reserved for said projects.

The Lugert-Altus Flood Control and Reclamation Reservoir located on the North Fork of the Red River in Oklahoma, is hereby authorized for construction at an estimated cost of \$2,497,000, on the following basis as to a division of the cost of construction:

(a) The Chief of Engineers shall report to the President on or before November 1, 1938, the value of said Lugert Reservoir as a flood control works, and the value so reported shall be the maximum amount herein authorized to be appropriated as a charge against any funds appropriated and available for the construction for flood control projects.

(b) The remainder of the estimated cost of such Lugert Reservoir, namely, the estimated total cost of the reservoir, less the amount reported by the Chief of Engineers as the value of said reservoir as a flood control project, is also hereby authorized to be appropriated out of the special fund in the Treasury of the United States created by the Act of June 17, 1902 (43 U. S. C. 391, 411), and therein designated "the reclamation fund" for the construction of said Lugert Reservoir for reclamation and irrigation as reported in Senate Document Numbered 153, Seventy-fifth Congress, third session, and as further authorized by the last paragraph on page 37 of Public Act Numbered 497, Seventy-fifth Congress, third session, providing that the construction of said Lugert Reservoir and Altus reclamation project shall not be undertaken until the Chief of Engineers and the Secretary of the Interior join in an agreement as to the division of cost of the construction of the said reservoir as provided herein.

The Government of the United States acknowledges the right of the States of Oklahoma and Texas to continue to exercise all existing proprietary or other rights of supervision of and jurisdiction over the

Funds available.

Federal Power Commission, authority over power project.

Operation of improvements at expense of private parties.

Red River Basin.

Denison Reservoir.

Proviso. Assignment of benefits.

Lugert-Altus Flood Control and Reclamation Reservoir.

Division of cost.

Amount from fund for flood control projects.

Amount from reclamation fund.

32 Stat. 388.  
43 U. S. C. §§ 391, 411.

Ante, p. 324.

Acknowledgment of certain State jurisdiction.

waters of all tributaries of Red River within their borders above Denison Dam site and above said dam, if and when constructed, in the same manner and to the same extent as is now or may hereafter be provided by the laws of said States, respectively, and all of said laws as they now exist or as same may be hereafter amended or enacted and all rights thereunder, including the rights to impound or authorize the retardation or impounding thereof for flood control above the said Denison Dam and to divert the same for municipal purposes, domestic uses, and for irrigation, power generation, and other beneficial uses, shall be and remain unaffected by or as a result hereof. All such rights are hereby saved and reserved for and to the said States and the people and the municipalities thereof, and the impounding of any such waters for any and all beneficial uses by said States or under their authority may be as freely done after the passage hereof as the same may now be done.

Hempstead County  
Levee District No. 1,  
Ark.

Hempstead County Levee District Numbered 1, Arkansas: Raising, enlarging, and extending existing levee system to improve flood protection in accordance with plans approved by the Chief of Engineers, at a construction cost not to exceed \$200,000.

Colfax, Grant Parish,  
La.

Colfax, Grant Parish, Louisiana: Remedial measures to stop serious bank caving and to improve flood protection at Colfax, Louisiana, in accordance with plans approved by the Chief of Engineers, at a construction cost not to exceed \$50,000.

Grant Parish, below  
Colfax, La.

Grant Parish, below Colfax, Louisiana: Continuation of levees on east (left) bank of Red River below Colfax, Louisiana, to the north bank of Bayou Darrow to increase flood protection in Grant Parish; in accordance with plans approved by the Chief of Engineers at a construction cost not to exceed \$71,000.

Reservoir, etc., construction in lieu of  
floodway project,  
Bayou Bodcau and  
Cypress Bayou, La.

The construction of a reservoir and other control works, in accordance with plans in the Office of the Chief of Engineers, in lieu of the construction of a floodway for the diversion of Bayou Bodcau and Cypress Bayou, Louisiana, to improve flood protection, as authorized in section 5 of the Flood Control Act approved June 22, 1936, provided that the total estimated cost shall not be increased, is approved.

49 Stat. 1576.

Lower Mississippi  
River.  
Modification and  
approval of project.  
*Ante*, p. 1154.

#### LOWER MISSISSIPPI RIVER

45 Stat. 534; 49 Stat.  
1508.

Additional appro-  
priation authorized.

That in accordance with the recommendations of the Chief of Engineers, as set forth in his report of April 6, 1937, and published as Flood Control Committee Document Numbered 1, Seventy-fifth Congress, first session, paragraph 38 (b), except subparagraph (1), the project for flood control of the Lower Mississippi River adopted by the Act of May 15, 1928, as amended by the Act of June 15, 1936, as amended, is hereby modified and, as modified, is hereby adopted, and there is hereby authorized to be appropriated in addition to the sums previously authorized \$40,000,000 to be applied for the purposes set forth in said document covering the said recommendations, with the exceptions mentioned, subject to the provisions hereinafter made.

49 Stat. 1508.

That the Flood Control Act of June 15, 1936, as amended, is amended as follows:

Morganza floodway;  
acquisition of easements,  
construction.

"The United States may, within the discretion of the Chief of Engineers, irrespective of other provisions of law, proceed to acquire all easements needed and of the character considered advisable in the Morganza floodway and to construct said Morganza floodway. Said Morganza floodway may, within the discretion of the Chief of Engineers, be modified as to its design and inflow.

Modification of design  
and inflow.

Immediate construction.

"The said Morganza floodway may be initiated and constructed without delay; and the United States may, within the discretion of

the Chief of Engineers, irrespective of other provisions of law, proceed to the acquisition of flowage rights and flowage easements in the Eudora floodway, and to its construction as authorized by existing law: *Provided*, That the intakes of such Eudora floodway shall include an automatic masonry weir with its sill at such an elevation that it will not be overtopped by stages other than those capable of producing a stage of fifty-one feet or over on the Vicksburg gage: *Provided further*, That a fuseplug levee loop may be constructed behind said sill to prevent flow into the floodway until the predicted flood exceeds the safe capacity of the main river leveed channel, with a free-board of at least three feet, but said fuseplug levee may be artificially breached when in the opinion of the Chief of Engineers such breaching is advisable to insure the safety of the main river controlling levee line: *Provided further*, That the authority to acquire lands, flowage rights, and easements for floodways shall be confined to the floodways proper and to the northward extension of Eudora: *Provided further*, That within the discretion of the Chief of Engineers, the guide line levees of the Eudora floodway may be extended south toward Old River: *Provided further*, That the Chief of Engineers is hereby authorized to construct the said Eudora floodway at such location as he may determine, in the vicinity of Eudora. The United States may, within the discretion of the Chief of Engineers irrespective of other provisions of law, proceed to acquire flowage rights and flowage easements in the northward extension of the Eudora floodway, as authorized by existing law, provided that pending the completion of such northward extension all the Riverside fuseplug levee extending south from the vicinity of Yancopin to the vicinity of Vau Cluse, Arkansas, and so as to connect with the existing levee of 1928 grade and section, shall be reconstructed to the 1914 grade and 1928 section: *Provided further*, That if the back protection levee is constructed prior to the construction of Eudora floodway, it shall be connected with the main Mississippi River levee and subsequently connected with the Eudora floodway when constructed: *Provided further*, That the Chief of Engineers is authorized, in his discretion, to negotiate options, make agreements and offers with respect to lands, flowage rights, easements, and rights-of-way involved, as provided by law, at prices deemed reasonable by him.

"The United States, irrespective of other provisions of law, may, within the discretion of the Chief of Engineers, acquire flowage easements over all lands not subject to frequent overflow in the Atchafalaya Basin below the latitude of Krotz Springs.

"Said Morganza floodway shall not be operated until the Wax Lake outlet has been put into operative condition.

"The fuseplug levees at the head of the Atchafalaya Basin on the east side of the Atchafalaya River shall be reconstructed to the 1928 grade and section.

"The United States may, in the discretion of the Chief of Engineers, acquire all flowage rights, flowage easements, rights-of-way for levee foundations, and titles in fee simple as herein provided, either by voluntary acquisition or in accordance with the condemnation proceedings by the Secretary of War as provided for in section 4 of the Flood Control Act of May 15, 1928.

"In the event the United States acquires or owns title to any lands in fee simple under the provisions of the Act of May 15, 1928, as amended and supplemented, the United States may retain the ownership thereof, or any part thereof instead of turning over such lands to the ownership of States or local interests as provided in section 4

*Provisos.*  
Eudora floodway intakes.

Construction of fuseplug levee loop to control flow.

Acquisition of lands, flowage rights, etc., limitation.

Extension of Eudora floodway guide line levees.  
Location.

Acquisition of flowage rights and easements, northward extension.

Connection with main Mississippi River levee.

Lands, flowage rights, rights-of-way.

Atchafalaya Basin, acquisition of flowage easements.

Wax Lake outlet.

Reconstruction of fuseplug levees on east side of Atchafalaya River.

Flowage rights, etc., for levee foundations.

45 Stat. 536.  
33 U. S. C. § 702d.

Retention of acquired lands.  
45 Stat. 536.

*Proviso.*  
Payments for bene-  
fit of public schools  
and roads.

Division where  
property is situated in  
more than one State  
or county.

Other use forbidden.

Provision respect-  
ing Act of May 15,  
1928.  
45 Stat. 534; 49 Stat.  
1508.  
Homochitto River,  
Miss.  
Additional channel  
improvements, etc.  
49 Stat. 1575.

Santa Ana River  
Basin, Calif.  
Modification of  
project.  
49 Stat. 1589.

50 Stat. 879.

Willamette River  
Basin.  
Approval of plan.

Spokane River and  
tributaries.  
Protection of Spo-  
kane, Wash., and  
Coeur d'Alene and  
Saint Maries, Idaho.

49 Stat. 1596, 1164.

Mill Creek.  
Protection of Walla  
Walla, Wash.

of said Act of May 15, 1928, and may lease such lands: *Provided*, That 25 per centum of all moneys received and deposited in the Treasury of the United States during any fiscal year on account of such leases shall be paid, at the end of such year, by the Secretary of the Treasury to the State in which such property is situated, to be expended as the State legislature may prescribe for the benefit of the public schools and public roads of the county or counties in which such property is situated: *Provided further*, That when such property is situated in more than one State or county the distributive share to each from the proceeds of such property shall be proportional to its area therein: *Provided further*, That no part of the appropriations herein or heretofore authorized for said Morganza and Eudora floodways and extension shall be used for any other purpose."

Except as herein amended, the Act of May 15, 1928, as amended by the Act of June 15, 1936, as amended, shall remain in full force and effect.

#### HOMOCHITTO RIVER

The project for flood control on the Homochitto River in Mississippi, authorized by the Act of June 22, 1936 (Public, Numbered 738, Seventy-fourth Congress), is hereby modified to provide for additional channel improvements and related works for flood control in accordance with plans approved by the Chief of Engineers, and for the execution of these plans there is hereby authorized \$100,000.

#### SANTA ANA RIVER BASIN

The project for flood control in the Santa Ana River Basin of California, authorized by the Act of June 22, 1936 (Public, Numbered 738, Seventy-fourth Congress), is hereby modified to provide for the control of floods on San Antonio Creek and Chino Creek in accordance with plans approved by the Chief of Engineers pursuant to preliminary examinations and surveys authorized by the Act of August 28, 1937 (Public, Numbered 406, Seventy-fifth Congress), and for the initiation and partial accomplishment of these plans there is hereby authorized \$6,500,000.

#### WILLAMETTE RIVER BASIN

The general comprehensive plan for flood control, navigation, and other purposes in the Willamette River Basin as set forth in House Document Numbered 544, Seventy-fifth Congress, third session, is approved and for the initiation and partial accomplishment of the plan recommended for initial development in said document there is hereby authorized \$11,300,000; the reservoirs and related works to be selected and approved by the Chief of Engineers.

#### SPOKANE RIVER AND TRIBUTARIES

The protection of certain low-lying areas in Spokane, Washington, and Coeur d'Alene and Saint Maries, Idaho, in accordance with plans approved by the Chief of Engineers pursuant to preliminary examinations and surveys authorized by the Flood Control Act approved June 22, 1936, and Act of Congress approved March 18, 1938<sup>1</sup>, is hereby authorized at an estimated cost of \$308,000.

#### MILL CREEK, WASHINGTON

The plan for protection of the city of Walla Walla, Washington, and adjacent lands by means of a reservoir and related works, as set forth in House Document Numbered 578, Seventy-fifth Congress, third session, is approved and for the execution of this plan there is hereby authorized \$1,608,000.

<sup>1</sup> So in original.

## YAKIMA RIVER, WASHINGTON

Yakima River.

The plan for protection of the city of Yakima, Washington, on the Yakima River, by means of levees as set forth in House Document Numbered 579, Seventy-fifth Congress, third session, is approved and for the execution of this plan there is hereby authorized \$163,000.

Protection of Yakima, Wash.

## TANANA RIVER AND CHENA SLOUGH, ALASKA

Tanana River and Chena Slough.

The plan for protection of the city of Fairbanks, Alaska, and vicinity by means of an earth and rock levee and for the relocation of a portion of the Richardson Highway as set forth in House Document Numbered 561, Seventy-fifth Congress, third session, is approved and for the execution of this plan there is hereby authorized \$565,000.

Protection of Fairbanks, Alaska.

SEC. 5. That, in carrying out the purposes of this Act, the Secretary of War and the Secretary of Agriculture are hereby authorized to cooperate with institutions, organizations, and individuals, and to utilize the services of Federal, State, and other public agencies, and to pay by check to the cooperating public agency, either in advance or upon the furnishing or performance of said services, all or part of the estimated or actual cost thereof; and to make expenditures for personal services and rent in the District of Columbia and elsewhere, for purchase of reference and law books and periodicals, for printing and binding, for the purchase, exchange, operation, and maintenance of motor-propelled passenger-carrying vehicles and motorboats for official use, and for other necessary expenses.

Utilization of other public agencies, etc.

SEC. 6. The Secretary of War is hereby authorized and directed to cause preliminary examinations and surveys for flood control including floods aggravated by or due to tidal effect at the following-named localities, and the Secretary of Agriculture is authorized and directed to cause preliminary examinations and surveys for run-off and water-flow retardation and soil-erosion prevention on the watersheds of such localities; the cost thereof to be paid from appropriations heretofore or hereafter made for such purposes: *Provided*, That no preliminary examination, survey, project, or estimate for new works other than those designated in this or some prior Act or joint resolution shall be made: *Provided further*, That after the regular or formal reports made as hereby authorized on any examination, survey, project, or work under way or proposed are submitted to Congress, no supplemental or additional report or estimate shall be made unless authorized by law or by resolution of the Committee on Flood Control of the House of Representatives or the Committee on Commerce of the Senate: *And provided further*, That the Government shall not be deemed to have entered upon any project for the improvement of any waterway mentioned in this Act until the project for the proposed work shall have been adopted by law:

Preliminary flood control examinations, etc., authorized.

*Provided*.  
Surveys, etc., for new works; restriction.

Supplementary reports; specific authority required.

Adoption of projects by law.

Thames River and its tributaries, Connecticut.

Connecticut.

Chittenango Creek and its tributaries, New York.

New York.

Ellicott Creek, New York.

Smokes Creek at Lackawanna, New York.

Bellows Pond and Canada Lake drainage area, Fulton County, New York.

Kayaderosseras Creek, Fish Creek, and their tributaries, and Saratoga Lake, New York.

Frankford Creek, Philadelphia County, Pennsylvania.

Pennsylvania.

Big Elk Creek and Elk River, Cecil County, Maryland.

Maryland.

Smith River and its tributaries, Virginia and North Carolina.

Virginia and North Carolina.

Tensas River, Franklin, Madison, Tensas, East Carroll, Concordia, and Catahoula Parishes, Louisiana.

Louisiana.

Bayous Rapides, Boeuf, Cocodrie, and the watersheds thereof from their source in Rapides Parish to their outlet in Saint Landry Parish, Louisiana.

East bank of Red River, beginning at the south bank of Loggy Bayou at the hill line, and thence along the south bank of Loggy Bayou to the east bank of Red River, and from thence along the east bank of Red River to Coushatta Bayou, Red River Parish, Louisiana.

Oklahoma.	Salt Fork of Red River and its tributaries, Oklahoma. Kiamichi River, Oklahoma.
Texas and New Mexico. Texas.	Pecos River and tributaries, Texas and New Mexico. Sulphur River, Texas. Lavaca River, Texas. Santa Isabel Creek, located northwest of Laredo, Webb County, Texas.
Arkansas.	Smackover Creek, in Union, Ouachita, and Nevada Counties, Arkansas. Bartholomew Bayou of Ashley and other counties, Arkansas. Ouachita River near Calion, Arkansas. Six Mile Creek in Logan County, Arkansas. Cadron Creek, Arkansas.
Missouri and Arkansas. Kansas and Nebraska.	Black River, Missouri and Arkansas. Republican River, Beaver and Sappa Creeks, Kansas and Nebraska.
Missouri.	Fox River and its tributaries, Missouri. Chariton River, Missouri. Dam at northern end of Fox Island, Clark County, Missouri. Grand River and tributaries, Missouri.
Illinois.	Henderson River, Illinois. Kaskaskia River, Illinois. Embarrass River, Illinois. Rock River, Illinois. McCraney Creek, Hadley Creek, Kaiser Creek, Six Mile Creek, and Bay Creek, and their tributaries in Pike County, Illinois. Rochester and McClearys Bluff Levee Unit on Wabash River, Illinois. England Pond Levee Unit on Wabash River, Illinois. Russell and Allison Levee Unit on Wabash River, Illinois. Tri Pond Levee Unit on Wabash River, Illinois.
Indiana.	Wabash River at Terre Haute, Indiana. Lost River and tributaries in the vicinity of Orleans, Indiana.
Ohio.	Miami River, Ohio. Chagrin River and its tributaries, Ohio. Muskingum River and its tributaries, Ohio. Cowan Creek, Ohio. Short Creek and its tributaries, in Jefferson and Harrison Counties, Ohio.
Ohio and Michigan. Ohio.	Tiffin River and its tributaries, Ohio and Michigan. Bellevue Conservancy District, Ohio. Hocking River, Ohio, and in the vicinity of Athens, Ohio.
Tennessee and Georgia. North and South Carolina. West Virginia. Iowa.	Chattanooga, Tennessee, and Rossville, Georgia. Waccamaw River, North and South Carolina. Deckers Creek, Monongalia County, West Virginia. Soldier River, Iowa. Perry Creek, Iowa.
Minnesota.	Hay Creek, Goodhue County, Minnesota. Wells Creek and Bullard Creek, Goodhue County, Minnesota. Red Lake River, and its tributaries, Minnesota. Clear Water River, Minnesota.

Gila River and tributaries, Arizona and New Mexico.	Arizona and New Mexico.
Virgin River and tributaries, in Nevada, Arizona, and Utah.	Nevada, Arizona, and Utah.
Kanab Creek, Utah and Arizona.	Utah and Arizona.
Streams draining into the Great Salt Lake, and the Great Basin, Utah and Nevada.	Utah and Nevada.
Short Creek, Arizona and Utah.	Arizona and Utah.
Beaver Dam Wash, Arizona, Utah, and Nevada.	Arizona, Utah, and Nevada.
Colorado River and its tributaries above Lees Ferry, Arizona.	Arizona.
Humboldt River and tributaries, in Nevada.	Nevada.
Owyhee River and tributaries, in Nevada.	
Saint Regis River, Montana.	Montana.
Flathead River and tributaries in Flathead County, Montana.	
Rio Grande and tributaries, Colorado, above the Colorado-New Mexico boundary line.	Colorado.
La Plata River, Colorado.	
Paonia (North Fork of Gunnison River), Colorado.	
West Divide, Colorado.	
Mancos River, Colorado.	
Yampa River, Colorado.	
Montezuma River, Colorado.	
Kremmling, Troublesome River.	
Apishapa River, Colorado.	
Long's Canyon, Colorado.	
Wray, Colorado.	
Fontaine Qui Vouille <sup>1</sup> River, Colorado.	
Pembina River and its tributaries, North Dakota.	North Dakota.
Kootenai River and tributaries, Idaho.	Idaho.
Boise River, Idaho.	
Carson River and tributaries, in California and Nevada.	California and Nevada.
Walker River and tributaries, in California and Nevada.	
Truckee River and tributaries, in California and Nevada.	
Humboldt River and tributaries, in Nevada.	Nevada.
Virgin River and tributaries, in Nevada, Arizona, and Utah.	Nevada, Arizona, and Utah.
Owyhee River and tributaries, in Nevada.	Nevada.
Sonoma Creek, California.	California.
Streams in Los Angeles and Ventura Counties draining the Santa Monica Mountains, California, directly into the Pacific Ocean.	
North Fork of the Yuba River, at city of Downieville and vicinity, Sierra County, California.	
Santa Ynez River and its tributaries, California.	
Santa Marguerita River and its tributaries, California.	
Deer Creek in the county of Tehama, California.	
Paynes Creek, Tehama County, California.	
Cottonwood Creek, Shasta and Tehama Counties, California.	
Battle Creek, Shasta and Tehama Counties, California.	
Cow Creek, Shasta County, California.	
Mill Creek, Tehama County, California.	
Napa River and its tributaries, California.	
San Lorenzo River, in Santa Cruz County, California.	
Naselle River, in Pacific County, Washington.	Washington.
Lands below and contiguous to Vancouver Lake area in Clark County, Washington, with a view to providing flood protection for lowlands along Columbia River between Whipple Creek and mouth of Lake and/or Lewis Rivers.	
Willapa River, in Pacific County, Washington.	
SEC. 7. That in order to effectuate the policy declared in sections one and two of the Act of June 22, 1936 (Public, Numbered 738, Seventy-fourth Congress), and to correlate the program for the improvement of rivers and other waterways by the Department of	Appropriation authorized for prosecution of projects. 49 Stat. 1570.

<sup>1</sup> So in original.



Run-off retardation,  
etc., works on water-  
sheds, prosecution.

*Proviso.*  
Works on water-  
sheds of Rio Grande  
and Pecos Rivers.

49 Stat. 1570.

Weather Bureau.  
Current informa-  
tion service on precipi-  
tation, flood forecasts,  
etc., establishment  
and maintenance.  
Expenditure au-  
thorized.

Appropriations au-  
thorized.  
Division of expendi-  
ture.

*Ante*, p. 1116.

War with the program for the improvement of watersheds by the Department of Agriculture, works of improvement for measures of run-off and water-flow retardation and soil-erosion prevention on the watersheds of waterways, for which works of improvement for the benefit of navigation and the control of destructive floodwaters and other provisions have been adopted and authorized to be prosecuted under the direction of the Secretary of War and supervision of the Chief of Engineers, are hereby authorized to be prosecuted by the Department of Agriculture under the direction of the Secretary of Agriculture and in accordance with plans approved by him. For prosecuting said work and measures there is hereby authorized to be appropriated the sum of \$10,000,000 to be expended at the rate of \$2,000,000 per annum during the five-year period ending June 30, 1944: *Provided*, That such works and measures which are herein authorized to be prosecuted by the Department of Agriculture may be carried out on the watersheds of the Rio Grande and Pecos Rivers subject to the proviso in section 2 of the said Act of June 22, 1936.

SEC. 8. That there is hereby authorized an expenditure of not to exceed \$375,000 per annum, from any appropriations heretofore or hereafter made for flood control by the United States, for the establishment, operation, and maintenance by the Weather Bureau of a current information service on precipitation, flood forecasts, and flood warnings, whenever in the opinion of the Chief of Engineers and the Chief of the Weather Bureau such service is advisable in connection with either preliminary examinations and surveys or works of improvement authorized by the law for flood-control purposes, and the Secretary of War upon the recommendation of the Chief of Engineers is authorized to allot the Weather Bureau funds for said expenditure.

SEC. 9. That the sum of \$375,000,000 is hereby authorized to be appropriated for carrying out the improvements herein over the five-year period ending June 30, 1944, and the sum of \$10,000,000 additional is authorized to be appropriated and expended in equal amounts by the Departments of War and Agriculture for carrying out any examinations and surveys provided for in this Act and any other Acts of Congress, to be prosecuted by said Departments. The sum of \$1,500,000 additional is authorized to be appropriated and expended by the Federal Power Commission for carrying out any examinations and surveys provided for in this Act or any other Acts of Congress, to be prosecuted by the said Federal Power Commission.

Approved, June 28, 1938.

#### [CHAPTER 796]

#### AN ACT

June 29, 1938  
[H. R. 10380]  
[Public, No. 762]

To amend the Act entitled "An Act to incorporate the Society of American Florists and Ornamental Horticulturists within the District of Columbia".

Society of American  
Florists and Orna-  
mental Horticultur-  
ists.

Act of incorporation  
amended.  
31 Stat. 1453.

Incorporators.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Act entitled "An Act to incorporate the Society of American Florists and Ornamental Horticulturists within the District of Columbia", approved March 3, 1901 (31 U. S. Stat. L., ch. 876, p. 1453), is amended to read as follows:

"SECTION 1. That James Dean, of Freeport; Charles W. Ward, of Queens; William Scott, of Buffalo; and Charles Henderson, of New York City, all in the State of New York; William J. Stewart, Michael H. Norton, and Patrick Welch, of Boston; Edmund M. Wood, of Natick; and Lawrence Cotter, of Dorchester, all in the State of Massachusetts; Edward G. Hill, of Richmond, in the State of Indiana;

John N. May, of Summitt, John G. Esler, of Saddle River; Patrick O'Mara, of Jersey City; William A. Manda, of South Orange, all in the State of New Jersey; Benjamin Durfee, William R. Smith, William F. Gude, and Henry Small, Junior, of Washington, in the District of Columbia; Willis N. Rudd, of Chicago; Emil Buettner, of Park Ridge; John C. Vaughan, of Chicago, all in the State of Illinois; Joseph A. Dirwanger, of Portland, in the State of Maine; Robert Craig, Edwin Lonsdale, W. Atlee Burpee, and John Burton, of Philadelphia; H. B. Beatty, of Oil City; and William Falconer, of Pittsburgh; all in the State of Pennsylvania; George M. Kellogg, of Pleasant Hill, in the State of Missouri; John T. D. Fulmer, of Des Moines, and J. C. Rennison, of Sioux City, in the State of Iowa; L. A. Berckmans, of Augusta, in the State of Georgia; H. Papworth, of New Orleans, in the State of Louisiana; Elmer D. Smith, of Adrian, and Harry Balsley, of Detroit, in the State of Michigan; F. A. Whelan, of Mount Vernon on the Potomac, in the State of Virginia; Adam Graham, of Cleveland, in the State of Ohio; William Fraser, of Baltimore, in the State of Maryland; John Spalding, of New London, and John N. Champion, of New Haven, in the State of Connecticut; and Charles W. Hoitt, of Nashua, in the State of New Hampshire, their associates and successors, are hereby created a body corporate and politic, within the District of Columbia, by the name of the Society of American Florists and Ornamental Horticulturists, for the education of the general public and of members of the florist industry in the subjects of, and for the scientific development of, floriculture and horticulture in all their branches. Said corporation is authorized to adopt a constitution and to make bylaws not inconsistent with law, to hold real and personal estate in the District of Columbia and elsewhere, so far only as may be necessary to its lawful ends, to an amount not exceeding \$1,000,000, and such other estate as may be donated or bequeathed in any State or Territory: *Provided*, That all property so held, and the proceeds thereof, shall be held and used solely for the purposes set forth in the Act. Said corporation shall operate without profit and any earnings and/or surplus funds that may be created through any of its educational or scientific activities shall be available only for the further accomplishment of the corporation's stated purposes. The principal office of the corporation shall be located within the District of Columbia, but the annual meetings may be held in such other places as the incorporators or their successors shall determine: *Provided*, That this corporation shall not be permitted to occupy any park in the city of Washington.

"Sec. 2. That Congress reserves the right to alter, amend, or repeal this Act in whole or in part."

Approved, June 29, 1938.

Purposes of incorporation.

Powers.

Provisions. Limitation.

Principal office.

Restriction on use of parks.

Amendment.

#### [CHAPTER 797]

#### AN ACT

To extend the times for commencing and completing the construction of a bridge across the Mississippi River between Saint Louis, Missouri, and Stites, Illinois.

June 29, 1938  
[H. R. 10506]

[Public, No. 763]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the times for commencing and completing the construction of a bridge across the Mississippi River, at or near a point on Broadway between Florida and Mullanphy Streets in the city of Saint Louis, Missouri, and a point opposite thereto, in the town of Stites, in the county of Saint Clair, State of Illinois, and connecting with Saint Clair Avenue extended in said town, authorized to be built by the county of Saint

Mississippi River.  
Time extended for  
bridging, Saint Louis,  
Mo., to Stites, Ill.

49 Stat. 1057, 1253;  
50 Stat. 251.

Clair, Illinois, by an Act of Congress approved August 30, 1935, and heretofore extended by Acts of Congress approved May 1, 1936, and June 9, 1937, are hereby further extended one and three years, respectively, from August 30, 1938.

Amendment.

SEC. 2. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, June 29, 1938.

#### [CHAPTER 798]

#### AN ACT

June 29, 1938  
[H. R. 10507]  
[Public, No. 764]

To extend the times for commencing and completing the construction of a bridge across the Mississippi River at or near a point between Morgan and Wash Streets in the city of Saint Louis, Missouri, and a point opposite thereto in the city of East Saint Louis, Illinois.

Mississippi River.  
Time extended for  
bridging, Saint Louis,  
Mo., to East Saint  
Louis, Ill.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the times for commencing and completing the construction of a bridge across the Mississippi River, at or near a point between Morgan and Wash Streets in the city of Saint Louis, Missouri, and a point opposite thereto in the city of East Saint Louis, Illinois, authorized to be built by the city of East Saint Louis, Illinois, by an Act of Congress approved May 3, 1934, and heretofore extended by Acts of Congress approved August 5, 1935, May 1, 1936, and June 2, 1937, are hereby further extended one and three years, respectively, from May 3, 1938.

48 Stat. 661; 49 Stat.  
536, 1254; 50 Stat. 244.

Amendment.

SEC. 2. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, June 29, 1938.

#### [CHAPTER 799]

#### AN ACT

June 29, 1938  
[H. R. 10540]  
[Public, No. 765]

To extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Arrow Rock, Missouri.

Missouri River.  
Time extended for  
bridging, at Arrow  
Rock, Mo.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the times for commencing and completing the construction of a bridge across the Missouri River, at or near Arrow Rock, Missouri, authorized to be built by the county court of Saline County, Missouri, by an Act of Congress approved August 12, 1937, are hereby extended one and three years, respectively, from August 12, 1938.

50 Stat. 630.

Amendment.

SEC. 2. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, June 29, 1938.

#### [CHAPTER 800]

#### AN ACT

June 29, 1938  
[H. R. 10510]  
[Public, No. 766]

Granting the consent of Congress to the Iowa State Highway Commission to reconstruct or construct, maintain, and operate a free highway bridge across the Des Moines River, at or near Keosauqua, Iowa.

Des Moines River.  
Iowa may bridge, at  
Keosauqua.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the consent of Congress is hereby granted to the Iowa State Highway Commission to reconstruct or construct, maintain, and operate a free highway bridge and approaches thereto across the Des Moines River, at a point suitable to the interests of navigation, at or near Keosauqua, Iowa,

in accordance with the provisions of the Act entitled "An Act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this Act.

SEC. 2. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, June 29, 1938.

34 Stat. 84.  
33 U. S. C. § 491.

Amendment.

# [CHAPTER 801]

## AN ACT

To extend the times for commencing and completing the construction of a bridge across the Wabash River at or near Merom, Sullivan County, Indiana.

June 29, 1938  
[H. R. 10670]  
[Public, No. 767]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the times for commencing and completing the construction of a bridge across the Wabash River, at or near Merom, Sullivan County, Indiana, authorized to be built by Sullivan County, Indiana, or any board or commission of said county which is or may be created or established for the purpose, by an Act of Congress approved February 10, 1932, heretofore extended by Acts of Congress approved April 30, 1934, June 28, 1935, May 1, 1936, and July 5, 1937, are hereby extended one and three years, respectively, from July 5, 1938.

Wabash River.  
Time extended for  
bridging, at Merom,  
Ind.

47 Stat. 44; 48 Stat.  
654; 49 Stat. 429, 1254;  
50 Stat. 475.

SEC. 2. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Amendment.

Approved, June 29, 1938.

# [CHAPTER 802]

## AN ACT

Authorizing the village of Baudette, State of Minnesota, its successors and assigns, to construct, maintain, and operate a bridge across the Rainy River at Baudette, Minnesota.

June 29, 1938  
[H. R. 10777]  
[Public, No. 768]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in order to facilitate international commerce, improve the postal service, and provide for other purposes the village of Baudette, Minnesota, its successors and assigns, be, and it is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Rainy River, so far as the United States has jurisdiction over the waters of such river, at a point suitable to the interests of navigation at Baudette, Minnesota, in accordance with the provisions of the Act entitled, "An Act to regulate the construction of bridges over navigable waters", approved March 23, 1906, subject to the conditions and limitations contained in this Act, and subject to the approval of the proper authorities in Canada.

Rainy River.  
Baudette, Minn.,  
may bridge.

34 Stat. 84.  
33 U. S. C. § 491.

There is hereby conferred upon the village of Baudette, Minnesota, its successors and assigns, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property in the State of Minnesota, needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State of Minnesota upon making just compensation therefor to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purpose in such State.

Acquisition of real  
estate, etc.

## Tolls.

That the said village of Baudette, Minnesota, its successors and assigns, are hereby authorized to fix and charge tolls for transit over such bridge in accordance with any laws of Canada applicable thereto, and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the Act of March 23, 1906.

## Rights conferred.

The right to sell, assign, transfer, and mortgage all the rights, powers, and privileges conferred by this Act is hereby granted to the village of Baudette, Minnesota, its successors and assigns; and any corporation to which or any person to whom such rights, powers, and privileges may be sold, assigned, or transferred, or who shall acquire the same by mortgage foreclosure or otherwise, is hereby authorized and empowered to exercise the same as fully as though conferred herein directly upon such corporation or person.

## Amendment.

The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, June 29, 1938.

## [CHAPTER 803]

## AN ACT

June 29, 1938

[H. R. 10836]

[Public, No. 769]

To authorize the county of Kauai to issue bonds of such county in the year 1938 under the authority of Act 186 of the Session Laws of Hawaii, 1937, in excess of 1 per centum of the assessed value of the property in said county as shown by the last assessment for taxation.

Kauai County, Hawaii.  
Issuance of bonds authorized.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the county of Kauai, Hawaii, be, and it is hereby, authorized to issue bonds of such county in the year 1938 under the authority for issuance of such bonds contained in Act 186 of the Session Laws of Hawaii, 1937, regardless of whether or not the issuance of such bonds results in the incurring of indebtedness by said county in that year in excess of 1 per centum of the assessed value of the property in the county as shown by the last assessment for taxation, regardless of any provision of the Organic Act or any other Act of this Congress limiting the amount of indebtedness which said county can incur in any one year.

31 Stat. 141.  
48 U. S. C. §§ 491-673; Supp. III, §§ 562a-j.

Approved, June 29, 1938.

## [CHAPTER 804]

## AN ACT

June 29, 1938

[H. R. 10873]

[Public, No. 770]

To authorize the conveyance to the Arthur Alexander Post Numbered 68, the American Legion, of Belzoni, Mississippi, of the improvements and site containing eighteen acres of land, more or less, at Lock and Dam Numbered 1 on the Sunflower River, Mississippi.

Arthur Alexander  
Post Numbered 68,  
The American Legion,  
Belzoni, Miss.  
Conveyance of certain land, etc., to.  
Purchase price.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of War is authorized and directed to convey by quit-claim deed to the Arthur Alexander Post Numbered 68, The American Legion, of Belzoni, Mississippi, for the sum of \$2,050, a tract of land, together with the improvements thereon, including one dwelling, three cottages, a shop, a boiler house, an oil house, a garage, a coal house, a telephone line, and a water tank, situated on the west bank of the Big Sunflower River, at Lock and Dam No. 1, in Washington County, Mississippi, being a part of Lot 6 of Section 2, Township 15 North, Range 5 West, and more specifically described as follows:

## Description.

Beginning at a point on the West bank of the Big Sunflower River, which point is West two thousand nine hundred and thirty-one and four tenths (2,931.4) feet, and South four thou-

sand five hundred and eighty-four (4,584) feet from the N. E. Corner of Section two (2), Township Fifteen (15) North, Range five (5) West; thence North 82°, 48', 30" West, six hundred (600) feet, to the S. W. Corner of the tract marked by a piece of square iron set in concrete; thence North 6°, 20' East, Twelve hundred (1200) feet to the N. W. Corner of the tract, marked by a piece of square iron set in concrete; thence South 82°, 48', 30" East to the Big Sunflower River; thence along the Big Sunflower River following its meandering about twelve hundred (1200) feet to the intersection of the river and a line which bears South 82°, 48', 30", East from the beginning point; thence North 82°, 48', 30", West to the beginning point (all bearing being true bearings), containing sixteen and fifty-three one-hundredths (16.53) acres, more or less;

and a tract of land situated on the East bank at the locality, being a part of Lot 7, Section 2, Range 5 West, Township 15 North, and more specifically described as follows:

Beginning at the N. E. Corner of Section two (2), Township and Range as above, thence West two thousand three hundred fifty point one (2,350.1) feet; South three thousand eight hundred fifty one (3,851.0) feet, to the N. W. Corner of Tract acquired, thence South 82°, 48', 30" E., one hundred (100) feet to N. E. Corner of tract, thence S. 5°, 11', 30" W. eight hundred point five (800.5) feet to the S. E. Corner of tract, thence N. 82°, 48', 30" W. one hundred (100) feet to the S. W. Corner of tract, thence along left bank of Big Sunflower River, N. 5°, 17' E. three hundred point two (300.2) feet; N. 5°, 07' E. five hundred point three (500.3) feet to the N. W. Corner of tract, containing one and eighty-three hundredths (1.83) acres, more or less;

for use by such post for the purposes of the organization, with discretion in the organization to grant the use thereof to Rotary Clubs, Boy Scouts, Girl Scouts, Women's Clubs, or any other civic or community organization, subject to the perpetual right of the United States of America to flood such part of such land as may be necessary from time to time in the interest of flood control or navigation.

SEC. 2. The deed of conveyance shall contain the following conditions:

That in the event the grantee shall cease to use the property for the purposes of the organization and as herein provided, or shall alienate or attempt to alienate such property, title thereto shall revert to the United States.

That the grantee shall bear all expenses (other than the preparation of the deed of conveyance) necessary to accomplish the conveyance.

Approved, June 29, 1938.

Reversionary provision.

Payment of expenses.

#### [CHAPTER 805]

#### AN ACT

To amend section 239 of the Act of June 8, 1872 (17 Stat. 312; U. S. C., title 39, sec. 500).

June 29, 1938  
[H. R. 6168]  
[Public, No. 771]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 239 of the Act of June 8, 1872 (17 Stat. 312; U. S. C., title 39, sec 500), be, and the same is hereby, amended to read as follows:

Postal Service.  
17 Stat. 312.  
39 U. S. C. § 500.

"All letters enclosed in envelopes with embossed postage thereon, or with postage stamp or stamps affixed thereto, by the sender, or with the metered indicia showing that the postage has been prepaid, if the postage thereon is of an amount sufficient to cover the postage that would be chargeable thereon if the same were sent by mail, may

Transportation of letters in designated stamped envelopes outside of the mails.

## Conditions.

be sent, conveyed, and delivered otherwise than by mail, provided such envelope shall be duly directed and properly sealed, so that the letter cannot be taken therefrom without defacing the envelope, and the date of the letter or of the transmission or receipt thereof shall be written or stamped upon the envelope, and that where stamps are affixed they be canceled with ink by the sender. But the Postmaster General may suspend the operation of this section or any part thereof upon any mail route where the public interest may require such suspension."

Approved, June 29, 1938.

## Suspension of provisions.

## [CHAPTER 806]

## AN ACT

June 29, 1938

[H. R. 6178]

[Public, No. 772]

To abolish appeals in habeas corpus proceedings brought to test the validity of orders of removal.

Judicial Code,  
amendments.  
Habeas corpus pro-  
ceedings.

43 Stat. 940.  
28 U. S. C. §§ 452,  
463.

Review of final or-  
der by circuit court of  
appeals.

*Proviso.*  
Proceedings to test  
validity of warrant of  
removal, etc.; restric-  
tion on right of appeal.  
R. S. § 1014.  
18 U. S. C. § 591.

Power of circuit  
judge to grant writs,  
etc.

Proceedings in Dis-  
trict Court of United  
States for D. C.;  
review.

*Proviso.*  
Proceedings to test  
validity of warrant of  
removal, etc.; restric-  
tion on right of appeal.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subsections (a) and (b) of section 6 of the Act of February 13, 1925, entitled "An Act to amend the Judicial Code, and to further define the jurisdiction of the circuit courts of appeals and of the Supreme Court, and for other purposes" (43 Stat. 940; U. S. C., title 28, sec. 452 and sec. 463, subsecs. (a) and (b)), be, and they are hereby, amended to read as follows:

"(a) In a proceeding in habeas corpus in a district court, or before a district judge or a circuit judge, the final order shall be subject to review, on appeal, by the circuit court of appeals of the circuit wherein the proceeding is had: *Provided, however,* That there shall be no right of appeal from such order in any habeas corpus proceeding to test the validity of a warrant of removal issued pursuant to the provisions of section 1014 of the Revised Statutes (U. S. C., title 18, sec. 591) or the detention pending removal proceedings. A circuit judge shall have the same power to grant writs of habeas corpus within his circuit that a district judge has within his district. The order of the circuit judge shall be entered in the records of the district court of the district wherein the restraint complained of is had.

"(b) In such a proceeding in the District Court of the United States for the District of Columbia, or before a justice thereof, the final order shall be subject to review on appeal, by the United States Court of Appeals for the District of Columbia: *Provided, however,* That there shall be no right of appeal from such order in any habeas corpus proceeding to test the validity of a warrant of removal issued pursuant to the provisions of section 1014 of the Revised Statutes (U. S. C., title 18, sec. 591) or the detention pending removal proceedings."

Approved, June 29, 1938.

## [CHAPTER 807]

## AN ACT

June 29, 1938

[H. R. 6591]

[Public, No. 773]

To exempt from cancelation certain desert-land entries in Riverside County, California.

Riverside County,  
Calif.  
Exemption from  
cancelation of certain  
desert-land entries.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That no desert-land entry made in good faith prior to June 7, 1912, under the public-land laws for lands and water in townships 4 and 5 south, range 15 east; townships 4 and 5 south, range 16 east; townships 4, 5, and 6

south, range 17 east; townships 5, 6, and 7 south, range 18 east; townships 6 and 7 south, range 19 east; townships 6 and 7 south, range 20 east; townships 4, 5, 6, 7, and 8 south, range 21 east; townships 5, 6, and sections 3, 4, 5, 6, 7, 8, 18, and 19, township 7 south, range 22 east; township 5 south, range 23 east, San Bernardino meridian, in Riverside County, State of California, shall be canceled prior to May 1, 1940, because of failure on the part of the entrymen to make any annual or final proof falling due upon any such entry prior to said date. The requirements of law as to annual assessments and final proof shall become operative from said date as though no suspension had been made. If the said entrymen are unable to procure water to irrigate the said lands above described through no fault of theirs, after using due diligence, or the legal questions as to their right to divert or impound water for the irrigation of said lands are still pending and undetermined by said May 1, 1940, the Secretary of the Interior is hereby authorized to grant a further extension for an additional period of not exceeding five years.

Approved, June 29, 1938.

Annual assessments and final proof.

Further extension if unable to procure water.

#### [CHAPTER 808]

##### AN ACT

To provide for a national cemetery in every State.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of War is authorized to accept (on behalf of, and without cost to, the United States) from any State title to such land as he deems suitable for national cemetery purposes. Upon the acquisition of such land by the United States, the Secretary of War is authorized to establish thereon a national cemetery and to provide for the care and maintenance of such national cemetery.

Approved, June 29, 1938.

June 29, 1938

[H. R. 6925]

[Public, No. 774]

National cemeteries. Establishment, in every State, authorized.

Care and maintenance.

#### [CHAPTER 809]

##### AN ACT

To provide that all cabs for hire in the District of Columbia be compelled to carry insurance for the protection of passengers, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Public Utilities Commission of the District of Columbia is hereby directed to require any and all corporations, companies, associations, joint-stock companies or associations, partnerships, and persons, their lessees, trustees, or receivers, appointed by any court whatsoever, operating, controlling, managing, or renting any passenger motor vehicles for hire in the District of Columbia, except as to operations licensed under paragraph 31 (b) of the Act approved July 1, 1932, known as the "License Act", and except such common carriers as have been expressly exempted from the jurisdiction of the Commission, to file with the Commission for each motor vehicle to be operated a bond or bonds, policy or policies, of liability insurance or certificate of insurance in lieu thereof in a solvent and responsible surety or insurance company authorized to do business in the District of Columbia, conditioned for the payment to any person of any judgment recovered against such corporations, companies, associations, joint-stock companies or associations, partnerships, and persons, their lessees, trustees, or receivers, appointed by any court whatsoever, or renters of their cabs, for death or for injury to any person or injury to any property, or both, caused

June 29, 1938

[H. R. 7084]

[Public, No. 775]

District of Columbia.

Passenger motor vehicles for hire, insurance requirements.

Exceptions.

47 Stat. 555.



Form, terms, etc.	in the operation, maintenance, use, or by reason of the defective construction of such motor cabs or other vehicles. Any such bond or undertaking or policy of liability insurance shall be in such form and on such terms or conditions as the Commission may direct. <i>Provided</i> , That such bond or policy may limit the liability of the surety or insurer on any one judgment to \$5,000 for bodily injuries or death and \$1,000 for damage to or destruction of property, and all judgments recovered upon claims arising out of the same subject of action to \$10,000 for bodily injuries or death and \$1,000 for damages to or destruction of property, to be apportioned ratably among the judgment creditors according to the amount of their respective judgments.
<i>Proviso.</i> Limitation on insurer's liability on any one judgment.	Any such policy of liability insurance shall be issued only by such insurance companies as may have been authorized to do business in the District of Columbia, and any such bond or undertaking shall be secured by a corporate surety approved by the Superintendent of Insurance of the District of Columbia. The Superintendent of Insurance of the District of Columbia shall be empowered to make all reasonable rules and regulations relating to the writing of taxicab insurance and shall be empowered to govern the maximum rates to be charged on such insurance. No such bond or policy of insurance may be canceled unless not less than twenty days prior to such cancellation or termination notice of intention so to do has been filed in writing with the Commission unless cancellation is for nonpayment of premiums, in which event five days' notice as above provided shall be given. It shall be unlawful to operate any vehicle subject to the provisions of this paragraph unless such vehicle shall be covered by an approved bond or policy of liability insurance as provided herein. The Public Utilities Commission shall have the power to make all reasonable rules and regulations which, in its opinion, are necessary to make effective the purposes of this section.
Issuance of insurance limited to authorized companies.	Any owner of a public vehicle required hereby to file a bond or policy of insurance may, in lieu thereof:
Rules relating to writing taxicab insurance; rates.	(a) File with the Public Utilities Commission a blanket bond, or a blanket policy of liability insurance, in an amount to be approved by said Commission, but not to exceed \$75,000, conditioned as required by this Act, and covering all vehicles lawfully displaying the trade name or identifying design of any individual, association, company or corporation.
Cancelation; notice of intention.	(b) Create and maintain a sinking fund in such amount as the Public Utilities Commission may require, but not in excess of \$75,000, and deposit the same, in trust, for the payment of any judgment recovered against such owner, as provided in this Act, with such person, official or corporation as said Commission shall designate.
Operation unlawful unless covered by approved bond or insurance.	<i>Provided</i> , That should any such owner elect to comply with the provisions of paragraphs (a) or (b) of this section, such owner shall first file with the Public Utilities Commission an admission of liability, in conformity with the principle of respondent superior for the tortious acts of the driver or drivers of such vehicle or vehicles aforesaid as shall be driven with the trade name or identifying design of such owner.
Rules and regulations.	Any cash or collateral deposit and/or any sinking fund herein provided for shall be exempt from attachment or levy for any obligation or liability of the depositor thereof, save as herein provided.
Provisions in lieu of bond, etc.	Within the meaning of this paragraph, the word "owner" shall include any corporation, company, association, joint stock company or association, partnership or person, and the lessees, trustees or receivers appointed by any court whatsoever, permitting his, their or its trade name and/or identifying design to be displayed upon vehicles governed by this Act.
Blanket bond or blanket policy of liability insurance.	
Sinking fund of sufficient amount in trust.	
<i>Proviso.</i> Requirements.	
Exemption from attachment, etc.	
"Owner" defined.	

Any violation of this section or of the regulations lawfully promulgated thereunder shall be deemed a misdemeanor and upon conviction shall be punishable by a fine of not more than \$300 or by imprisonment for not more than ninety days, and/or cancelation of license.

This Act shall become effective sixty days after final passage.

Approved, June 29, 1938.

Penalty for violation.

Effective date.

[CHAPTER 810]

AN ACT

To amend the Meat Inspection Act of March 4, 1907, as amended and extended, with respect to its application to farmers, retail butchers, and retail dealers.

June 29, 1938  
[H. R. 8047]  
[Public, No. 776]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Meat Inspection Act of March 4, 1907, as amended and extended, is amended by substituting for the concluding paragraph thereof the following:

Meat Inspection  
Act of March 4, 1907,  
amendments.  
34 Stat. 1260.  
21 U. S. C. § 71.

"That within the meaning of this Act—

"(a) A 'farmer' means any person or partnership chiefly engaged in producing agricultural products on whose farm the number of cattle, calves, sheep, lambs, swine, or goats is in keeping with the size of the farm or with the volume or character of the agricultural products produced thereon, but does not mean any person or partnership engaged in producing agricultural products who—

Meaning of terms.  
"Farmer."

"(1) actively engages in buying or trading in cattle, calves, sheep, lambs, swine, or goats; or

"(2) actively engages, directly or indirectly, in conducting a business which includes the slaughter of cattle, calves, sheep, lambs, swine, or goats for food purposes; or

"(3) actively engages, directly or indirectly, in buying or selling meat or meat food products other than those prepared by any farmer on the farm; or

"(4) actively engages, directly or indirectly, in salting, curing, or canning meat, or in preparing sausage, lard, or other meat food products; or

"(5) slaughters, or permits any person to slaughter, on his or their farm cattle, calves, sheep, lambs, swine, or goats which are not actually owned by him or them.

"(b) A 'retail butcher' means any person, partnership, association, or corporation chiefly engaged in selling meat or meat food products to consumers only, except that the Secretary of Agriculture, at his discretion, may permit any retail butcher to transport in interstate or foreign commerce to consumers and meat retailers in any one week not more than five carcasses of cattle, twenty-five carcasses of calves, twenty carcasses of sheep, twenty-five carcasses of lambs, ten carcasses of swine, twenty carcasses of goats, or twenty-five carcasses of goat kids, or the equivalent of fresh meat therefrom, and to transport in interstate or foreign commerce to consumers only meat and meat food products which have been salted, cured, canned, or prepared as sausage, lard, or other meat food products, and which have not been inspected, examined, and marked as 'Inspected and Passed' in accordance with the terms of the Meat Inspection Act of March 4, 1907, and Acts supplemental thereto, and with the rules and regulations prescribed by the Secretary of Agriculture.

"Retail butcher."

"(c) A 'retail dealer' means any person, partnership, association, or corporation chiefly engaged in selling meat or meat food products to consumers only except that the Secretary of Agriculture, at his discretion, may permit any retail dealer to transport in interstate trade or foreign commerce to consumers and meat retailers in any

"Retail dealer."

one week not more than five carcasses of cattle, twenty-five carcasses of calves, twenty carcasses of sheep, twenty-five carcasses of lambs, ten carcasses of swine, twenty carcasses of goats, or twenty-five carcasses of goat kids, or the equivalent of fresh meat therefrom, and to transport in interstate or foreign commerce to consumers only meat and meat food products which have been salted, cured, canned, or prepared as sausage, lard, or other meat food products which have not been inspected, examined, and marked as 'Inspected and Passed' in accordance with the terms of the Meat Inspection Act of March 4, 1907, and Acts supplemental thereto, and with the rules and regulations prescribed by the Secretary of Agriculture.

Exemptions as to farmers, retail butchers and retail dealers.

*Provisos.*  
Products prohibited interstate commerce transportation.

Marking requirements.

Penalty for sale of products unfit for human food.

Inspection.

"That the provisions of the Meat Inspection Act of March 4, 1907, requiring inspection to be made by the Secretary of Agriculture shall not apply to animals slaughtered by any farmer on the farm and sold and transported in interstate or foreign commerce, nor to retail butchers and retail dealers in meat and meat food products, supplying their customers: *Provided*, That all meat and meat food products derived from animals slaughtered by any farmer on the farm which are salted, cured, canned, or prepared into sausage, lard, or other meat food products at any place other than by the farmer on the farm upon which the animals were slaughtered shall not be transported in interstate or foreign commerce under the farmers' exemption herein provided, and all fresh meat and all farm-cured or prepared meat and meat food products derived from animals slaughtered by any farmer on the farm which are to be used in interstate or foreign commerce shall be clearly marked with the name and address of the farmer on whose farm the animals were slaughtered: *Provided further*, That if any person shall sell or offer for sale or transportation for interstate or foreign commerce any meat or meat food products which are diseased, unsound, unhealthful, unwholesome, or otherwise unfit for human food, knowing that such meat food products are intended for human consumption, he shall be guilty of a misdemeanor and on conviction thereof shall be punished by a fine not exceeding \$1,000 or by imprisonment for a period of not exceeding one year, or by both such fine and imprisonment: *And provided further*, That the Secretary of Agriculture is authorized to maintain the inspection in this Act provided for at any slaughtering, meat canning, salting, packing, rendering, or similar establishment notwithstanding this exception, and that the persons operating the same may be retail butchers and retail dealers or farmers; and where the Secretary of Agriculture shall establish such inspection then the provisions of this Act shall apply notwithstanding this exception."

Approved, June 29, 1938.

#### [CHAPTER 811]

#### AN ACT

June 29, 1938  
[H. R. 9739]  
[Public, No. 777]

To amend the Interstate Commerce Act, as amended, by amending certain provisions of part II of said Act, otherwise known as the Motor Carrier Act, 1935.

Motor Carrier Act,  
1935, amendments.  
49 Stat. 543.  
49 U. S. C., Supp.  
III, ch. 8.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Interstate Commerce Act, as amended, is hereby further amended in part II thereof by amending, as hereinafter indicated, certain provisions of the Act entitled "An Act to amend the Interstate Commerce Act, as amended, by providing for the regulation of the transportation of passengers and property by motor carriers operating in interstate or foreign commerce, and for other purposes, approved August 9, 1935, and known as the Motor Carrier Act, 1935.

SEC. 2. Section 203 (a) (13) of said Motor Carrier Act, 1935, is hereby amended to read as follows:

"(13) The term 'motor vehicle' means any vehicle, machine, tractor, trailer, or semitrailer propelled or drawn by mechanical power and used upon the highways in the transportation of passengers or property, or any combination thereof determined by the Commission, but does not include any vehicle, locomotive, or car operated exclusively on a rail or rails."

SEC. 3. Section 203 (b) (6) of said Act is hereby amended to read as follows: "(6) motor vehicles used in carrying property consisting of livestock, fish (including shell fish), or agricultural commodities (not including manufactured products thereof), if such motor vehicles are not used in carrying any other property, or passengers, for compensation;"

SEC. 4. Section 204 (a) (6) of said Act is hereby amended to read as follows:

"(6) To administer, execute, and enforce all provisions of this part, to make all necessary orders in connection therewith, and to prescribe rules, regulations, and procedure for such administration; and"

SEC. 5. The first two sentences of section 205 (a) of said Act are hereby amended to read as follows:

"SEC. 205. (a) Excepting a matter which is referred to a joint board as hereinafter provided, any matter arising in the administration of this part as to which a hearing is required or in the judgment of the Commission is desirable shall be heard as the Commission may determine and be decided by the Commission, unless such matter shall, by order of the Commission, be referred to a member or examiner of the Commission for hearing and the recommendation of an appropriate order thereon. With respect to a matter so referred the member or examiner shall have all the rights, duties, powers, and jurisdiction conferred by this part upon the Commission, except that the order recommended by such member or examiner shall be subject to the following provisions of this paragraph."

SEC. 6. (a) So much of the first sentence of section 205 (b) of said Act as reads "any of the following matters arising in the administration of this part with respect to such operations" is hereby amended to read as follows: "any of the following matters arising in the administration of this part with respect to such operations as to which a hearing is required or in the judgment of the Commission is desirable:"

(b) The last two sentences of said section 205 (b) are hereby amended to read as follows:

"In acting upon matters so referred, joint boards shall be vested with the same rights, duties, powers, and jurisdiction as are hereinbefore vested in members or examiners of the Commission to whom a matter is referred for hearing and the recommendation of an appropriate order thereon: *Provided, however,* That a joint board may, in its discretion, report to the Commission its conclusions upon the evidence received, if any, without a recommended order. Orders recommended by joint boards shall be filed with the Commission, and shall become orders of the Commission and become effective in the same manner, and shall be subject to the same procedure, as provided in the case of orders recommended by members or examiners under this section. If a joint board to which any matter has been referred shall report its conclusions upon the evidence without a recommended order, such matter shall thereupon be decided by the Commission, giving such weight to such conclusions as in its judgment the evidence may justify."

49 Stat. 544.  
49 U. S. C., Supp.  
III, § 303 (a) (13).  
"Motor vehicle"  
defined.

49 Stat. 545.  
49 U. S. C., Supp.  
III, § 303 (b) (6).  
Motor vehicles used  
in conveying live-  
stock, fish, etc.

49 Stat. 546.  
49 U. S. C., Supp.  
III, § 304 (a) (6).  
Duties and powers  
of Commission.

49 Stat. 548.  
49 U. S. C., Supp.  
III, § 305 (a).  
Hearings.

Reference of matter  
to a member or ex-  
aminer.

Rights, duties,  
jurisdiction, etc., of  
member or examiner.

Joint boards.

49 Stat. 548.  
49 U. S. C., Supp.  
III, § 305 (b).

Rights, duties, ju-  
risdiction, etc., of joint  
boards.

*Proviso.*  
Discretionary report  
without recommenda-  
tion.

Decision by Com-  
mission.

49 Stat. 550.  
49 U. S. C., Supp.  
III, § 305 (f).

Notice of proceedings and opportunity for hearing.

Certificate of convenience and necessity.

49 Stat. 551.  
49 U. S. C., Supp.  
III, § 306 (a).

Contract carriers by motor vehicle, necessity of permits.

49 Stat. 552.  
49 U. S. C., Supp.  
III, § 309 (a).

49 Stat. 554.  
49 U. S. C., Supp.  
III, § 310.

Temporary operating authority.

Duration.

Consolidations, mergers, etc.  
Temporary approval of operation of properties sought to be acquired.

49 Stat. 555.  
49 U. S. C., Supp.  
III, § 313 (a).

Applicable provisions, rules, etc.

49 Stat. 555.  
49 U. S. C., Supp.  
III, § 312 (a).

Certificates, permits, and licenses.  
Effective date; duration.

Amendment or revocation.

SEC. 7. Section 205 (f) of said Act is hereby amended to read as follows:

"(f) In accordance with rules prescribed by the Commission, reasonable notice shall be afforded, in connection with any proceeding under this part, to interested parties and to the board of any State, or to the governor if there be no board, in which the motor carrier operations involved in the proceeding are or are proposed to be conducted, and opportunity for intervention in any such proceeding for the purpose of making representations to the Commission or for participating in a hearing, if a hearing is held, shall be afforded to all interested parties."

SEC. 8. Section 206 (a) of said Act is hereby amended by striking out "No common carrier" at the beginning and inserting in lieu thereof the following: "Except as otherwise provided in this section and in section 210a, no common carrier".

SEC. 9. Section 209 (a) of said Act is hereby amended by striking out "No person" at the beginning of such section and inserting in lieu thereof the following: "Except as otherwise provided in this section and in section 210a, no person".

SEC. 10. After section 210 of said Act, the following new section shall be inserted:

"SEC. 210a. (a) To enable the provision of service for which there is an immediate and urgent need to a point or points or within a territory having no carrier service capable of meeting such need, the Commission may, in its discretion and without hearings or other proceedings, grant temporary authority for such service by a common carrier or a contract carrier by motor vehicle, as the case may be. Such temporary authority, unless suspended or revoked for good cause, shall be valid for such time as the Commission shall specify but for not more than an aggregate of one hundred and eighty days, and shall create no presumption that corresponding permanent authority will be granted thereafter.

"(b) Pending the determination of an application filed with the Commission for approval of a consolidation or merger of the properties of two or more motor carriers, or of a purchase, lease, or contract to operate the properties of one or more motor carriers, as contemplated in section 213 (a) of this part, the Commission may, in its discretion, and without hearings or other proceedings, grant temporary approval, for a period not exceeding one hundred and eighty days, of the operation of the motor carrier properties sought to be acquired by the person proposing in such pending application to acquire such properties, if it shall appear that failure to grant such temporary approval may result in destruction of or injury to such motor carrier properties sought to be acquired, or to interfere substantially with their future usefulness in the performance of adequate and continuous service to the public.

"(c) Transportation service rendered under such temporary authority shall be subject to all applicable provisions of this part and to the rules, regulations, and requirements of the Commission thereunder."

SEC. 11. Section 212 (a) of said Act is hereby amended to read as follows:

"SEC. 212. (a) Certificates, permits, and licenses shall be effective from the date specified therein, and shall remain in effect until suspended or terminated as herein provided. Any such certificate, permit, or license may, upon application of the holder thereof, in the discretion of the Commission, be amended or revoked, in whole or in part, or may upon complaint, or on the Commission's own initiative, after notice and hearing, be suspended, changed, or revoked, in whole or in part, for willful failure to comply with any provision of this

part, or with any lawful order, rule, or regulation of the Commission promulgated thereunder, or with any term, condition, or limitation of such certificate, permit, or license: *Provided, however,* That no such certificate, permit, or license shall be revoked (except upon application of the holder) unless the holder thereof willfully fails to comply, within a reasonable time, not less than thirty days, to be fixed by the Commission, with a lawful order of the Commission, made as provided in section 204 (d), commanding obedience to the provision of this part, or to the rule or regulation of the Commission thereunder, or to the term, condition, or limitation of such certificate, permit, or license, found by the Commission to have been violated by such holder: *And provided further,* That the right to engage in transportation in interstate or foreign commerce by virtue of any certificate, permit, license, or any application filed pursuant to the provisions of section 206, 209, or 211, or by virtue of the second proviso of section 206 (a) or temporary authority under section 210a, may be suspended by the Commission, upon reasonable notice of not less than fifteen days to the carrier or broker, but without hearing or other proceedings, for failure to comply, and until compliance, with the provisions of section 211 (c), 217 (a), or 218 (a) or with any lawful order, rule, or regulation of the Commission promulgated thereunder."

SEC. 12. Section 213 (a) (1) of said Act is hereby amended to read as follows:

"(1) Whenever a consolidation, merger, purchase, lease, operating contract, or acquisition of control is proposed under this section, the carrier or carriers or the person seeking authority therefor shall present an application to the Commission, and thereupon the Commission shall, after such notice as is required by section 205 (f), and if deemed by it necessary in order to determine whether the findings specified below may properly be made, set said application down for a public hearing. If the Commission finds that the transaction proposed will be consistent with the public interest and that the conditions of this section have been or will be fulfilled, it may enter an order approving and authorizing such consolidation, merger, purchase, lease, operating contract, or acquisition of control, upon such terms and conditions as it shall find to be just and reasonable and with such modifications as it may prescribe: *Provided, however,* That if a carrier as defined in section 1 (3) of part I, or any person which is controlled by such a carrier or affiliated therewith within the meaning of section 5 (8) of part I, is an applicant, the Commission shall not enter such an order unless it finds that the transaction proposed will promote the public interest by enabling such carrier to use service by motor vehicle to public advantage in its operations and will not unduly restrain competition."

SEC. 13. Section 213 (b) (1) of said Act is hereby amended to read as follows:

"(b) (1) It shall be unlawful for any person, except as provided in paragraph (a), to accomplish or effectuate, or to participate in accomplishing or effectuating, the control or management in a common interest of any two or more motor carriers which are not also carriers by railroad, or of one or more such motor carriers and one or more carriers other than motor carriers, however such result is attained, whether directly or indirectly, by use of common directors, officers, or stockholders, a holding or investment company or companies, a voting trust or trusts, or in any other manner whatsoever. It shall be unlawful to continue to maintain control or management accomplished or effectuated after the enactment of this part and in violation of this paragraph. As used in this paragraph, the words 'control or management' shall be construed to include the power to exercise control or management."

*Provisos.*  
Revocation only on willful noncompliance with Commission's order.

49 Stat. 547.  
49 U. S. C., Supp. III, § 304 (d).

Suspension of operating rights upon notice, for failure to comply with designated provisions.  
49 Stat. 551, 552, 554.  
*Ante*, p. 1238.

49 Stat. 554, 560, 561.

49 Stat. 555.  
49 U. S. C., Supp. III, § 313 (a) (1).

Proposed consolidation, merger, etc.  
Application, notice, public hearing.

49 Stat. 550.  
49 U. S. C., Supp. III, § 305 (f).

Order by Commission.

*Proviso.*  
Findings by Commission.  
49 U. S. C. §§ 1 (3), 5 (8).

49 Stat. 556.  
49 U. S. C., Supp. III, § 313 (b) (1).

Effectuating control in a common interest of two or more carriers.

Continuation of control after enactment of Act.

49 Stat. 556.  
49 U. S. C., Supp.  
III, § 313 (b) (2).  
Investigation and  
order of Commission.

SEC. 14. Section 213 (b) (2) of said Act is hereby amended to read as follows:

"(2) In addition to the enforcement procedure provided elsewhere in this part, the Commission is hereby authorized, upon complaint or upon its own initiative without complaint, but after notice and hearing, to investigate and determine whether any person is violating the provisions of paragraph (b) (1) of this section. If the Commission finds after such investigation that such person is violating the provisions of such paragraph, it shall by order require such person to take such action consistent with the provisions of this part as may be necessary, in the opinion of the Commission, to prevent further violation of such provisions."

49 Stat. 557.  
49 U. S. C., Supp.  
III, § 314.  
Issuance of securi-  
ties.

SEC. 15. Section 214 of said Act is hereby amended to read as follows:

"SEC. 214. Common or contract carriers by motor vehicle, corporations organized for the purpose of engaging in transportation as such carriers, and corporations authorized by order entered under section 213 (a) (1) to acquire control of any such carrier, or of two or more such carriers, shall be subject to the provisions of paragraphs 2 to 11, inclusive, of section 20a of part I of this Act (including penalties applicable in cases of violations thereof): *Provided, however,* That said provisions shall not apply to such carriers or corporations where the par value of the securities to be issued, together with the par value of the securities then outstanding, does not exceed \$500,000, nor to the issuance of notes of a maturity of two years or less and aggregating not more than \$100,000, which notes aggregating such amount including all outstanding obligations maturing in two years or less may be issued without reference to the percentage which said amounts bear to the total amount of outstanding securities. In the case of securities having no par value, the par value for the purpose of this section shall be the fair market value as of the date of their issue: *Provided further,* That the exemption in section 3 (a) (6) of the 'Securities Act, 1933' is hereby amended to read as follows: '(6) Any security issued by a common or contract carrier, the issuance of which is subject to the provisions of section 20a of the Interstate Commerce Act, as amended;'"

41 Stat. 494.  
49 U. S. C. § 20a.  
*Provisos.*  
Restriction on ap-  
plication of provi-  
sions.

Securities having no  
par value.

Exempted securi-  
ties.  
48 Stat. 76.  
15 U. S. C. § 77c;  
Supp. III, § 77c.  
49 U. S. C. § 20a.

49 Stat. 560.  
49 U. S. C., Supp.  
III, § 316 (g).  
New rates, etc.; in-  
itial schedules filed on  
or before July 31, 1938.

SEC. 16. The proviso of section 216 (g) of said Act is hereby amended to read as follows:

"*Provided,* That this paragraph shall not apply to any initial schedule or schedules filed on or before July 31, 1938, by any such carrier in bona fide operation when this section takes effect. At any hearing involving a rate, fare, charge, or classification, increased or sought to be increased, or involving a rule, regulation, or practice, after the date of the approval of this Act, the burden of proof shall be upon the carrier to show that the increased rate, fare, charge, or classification, or the rule, regulation, or practice, or the proposed increased rate, fare, charge, or classification, or the proposed rule, regulation, or practice, is just and reasonable."

49 Stat. 562.  
49 U. S. C., Supp.  
III, § 318 (c).  
Reduced rates, etc.;  
initial schedule filed  
on or before July 31,  
1938.

SEC. 17. The proviso of section 218 (c) of said Act is hereby amended to read as follows:

"*Provided,* That this paragraph shall not apply to any initial schedule or schedules, or contract or contracts, filed on or before July 31, 1938, by any such carrier in bona fide operation when this section takes effect."

49 Stat. 566.  
49 U. S. C., Supp.  
III, § 324.  
Display of identi-  
fication plates, regu-  
lations.

SEC. 18. Section 224 of said Act is hereby amended to read as follows:

"SEC. 224. The Commission is hereby authorized, under such rules and regulations as it shall prescribe, to require the display of suitable identification plate or plates, upon any motor vehicle used in trans-

portation subject to any of the provisions of this part, to provide for the issuance of such plates, and to receive the payment by such carriers of the reasonable cost thereof. All moneys so collected shall be paid into the Treasury of the United States. Any substitution, transfer, or use of any such identification plate or plates, except such as may be duly authorized by the Commission, is hereby prohibited and shall be unlawful."

Approved, June 29, 1938.

## [CHAPTER 812]

## AN ACT

To establish the Olympic National Park, in the State of Washington, and for other purposes.

June 29, 1938  
[H. R. 10024]  
[Public, No. 778]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Mount Olympus National Monument established pursuant to proclamation of the President dated March 2, 1909, is hereby abolished, and the tracts of land in the State of Washington particularly described as follows, to wit: Township 25 north, range 4 west, sections 5 to 8, 17 to 20, and 29 to 32, inclusive (unsurveyed); township 26 north, range 4 west, sections 1 to 12, 17 to 20, and 29 to 32, inclusive (unsurveyed); township 27 north, range 4 west, sections 5 to 8, 17 to 20, and 29 to 36, inclusive (unsurveyed); township 28 north, range 4 west, sections 17 to 22, and 27 to 34, inclusive (unsurveyed); townships 25, 26, and 27 north, range 5 west (unsurveyed); township 28 north, range 5 west, sections 7 to 36, inclusive (unsurveyed); township 24 north, range 6 west, sections 3 to 10, 15 to 22, and 27 to 34, inclusive (unsurveyed); townships 25, 26, and 27 north, range 6 west (unsurveyed); township 28 north, range 6 west, sections 7 to 36, inclusive (unsurveyed); townships 24, 25, 26, and 27 north, range 7 west (unsurveyed); township 28 north, range 7 west, sections 5 to 36, inclusive (unsurveyed); township 24 north, range 8 west, sections 1 to 18, inclusive (partly surveyed); townships 25, 26, 27, and 28 north, range 8 west (unsurveyed); township 29 north, range 8 west, sections 6, 7, 18, 19 to 21, and 28 to 33, inclusive (unsurveyed); township 30 north, range 8 west, sections 18, 19, 30, and 31 (partly surveyed); township 24 north, range 9 west, sections 1, 2, 11, 12, 13, and 14 (partly surveyed); township 25 north, range 9 west (unsurveyed); township 26 north, range 9 west, sections 1 to 18, inclusive (unsurveyed), each half of section 19 (unsurveyed), sections 20 to 29, and 32 to 36, inclusive (surveyed); townships 27 and 28 north, range 9 west (unsurveyed); township 29 north, range 9 west (partly surveyed); township 30 north, range 9 west, sections 13, 14, and 23 to 36, inclusive (partly surveyed); township 26 north, range 10 west, sections 1, 12, and 13 (surveyed); township 27 north, range 10 west, sections 1 to 6, inclusive, 12, 13, 24, 25, and 36 (surveyed); township 28 north, range 10 west, south half section 7, south half section 8, south half section 9, south half section 10, south half section 11, south half section 12, sections 13 to 36, inclusive (unsurveyed) all west of the Willamette meridian, in Washington, are hereby reserved and withdrawn from settlement, occupancy, or disposal under the laws of the United States and dedicated and set apart as a public park for the benefit and enjoyment of the people and shall be known as the Olympic National Park, and all lands formerly included in the Mount Olympus National Monument and not included in the above description are hereby transferred to and made a part of the Olympic National Forest.

Olympic National Park, Wash., establishment.  
Mount Olympus National Monument abolished.  
35 Stat. 2247.  
Lands transferred to Park.

Lands transferred to Olympic National Forest.



- Mineral deposits. SEC. 2. That in the areas of said park lying east of the range line between ranges 9 and 10 and north of the seventh standard parallel, and east of the range line between ranges 4 and 5 west, Willamette meridian, all mineral deposits of the classes and kinds now subject to location, entry, and patent under the mining laws of the United States shall be, exclusive of the land containing them, subject to disposal under such laws for a period of five years from the date of approval of this Act, with rights of occupation and use of so much of the surface of the land as may be required for all purposes reasonably incident to the mining or removal of the minerals and under such general regulations as may be prescribed by the Secretary of the Interior.
- Division of receipts for schools and roads. 35 Stat. 260. 16 U. S. C. § 500. SEC. 3. The income of each county receiving moneys from the Olympic National Forest, under the Act of May 23, 1908 (35 Stat. 260, ch. 192), as amended, shall be proportional to the total area of each county in the Olympic National Forest and the Olympic National Park combined.
- Administration, etc. 39 Stat. 535. 16 U. S. C., ch. 1. SEC. 4. The administration, protection, and development of the Olympic National Park shall be exercised under the direction of the Secretary of the Interior by the National Park Service, subject to the provisions of the Act of August 25, 1916 (39 Stat. 535), entitled "An Act to establish a National Park Service, and for other purposes", as amended.
- Existing claims, etc., not affected. SEC. 5. Nothing herein contained shall affect any valid existing claim, location, or entry made under the land laws of the United States, whether for homestead, mineral, right-of-way, or any other purpose whatsoever, or shall affect the right of any such claimant, locator, or entryman to the full use and enjoyment of his land, nor the rights reserved by treaty to the Indians of any tribes.
- Additions to Park. The President may after eight months from the approval of this Act by proclamation add to the Olympic National Park any lands within the boundaries of the Olympic National Forest, and any lands which may be acquired by the Government by gift or purchase, which he may deem it advisable to add to such park; and any lands so added to such park shall, upon their addition thereto, become subject to all laws and regulations applicable to other lands within such park: *Provided*, That the total area of the said park shall not exceed eight hundred and ninety-eight thousand two hundred and ninety-two acres: *Provided further*, That before issuing any such proclamation, the President shall consult with the Governor of the State of Washington, the Secretary of the Interior, and the Secretary of Agriculture and advise them of the lands which he proposes to add to such park, and shall afford them a reasonable opportunity to consult with and communicate to him their views and recommendations with respect to the addition of such lands to such park.
- Provisos. Limitation.*
- Consultation before issuance of proclamation.

Approved, June 29, 1938.

## [CHAPTER 813]

## AN ACT

June 29, 1938  
[S. 2403]  
[Public, No. 779]

To prohibit the transportation of certain persons in interstate or foreign commerce during labor controversies, and for other purposes.

Transportation of strikebreakers in interstate or foreign commerce. 49 Stat. 1899. 18 U. S. C., Supp. III, § 407a.

Unlawful acts.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Act entitled "An Act making it a felony to transport in interstate or foreign commerce persons to be employed to obstruct or interfere with the right of peaceful picketing during labor controversies", approved June 24, 1936, is amended to read as follows:

"That (a) it shall be unlawful to transport or cause to be transported in interstate or foreign commerce any person who is employed

or is to be employed for the purpose of obstructing or interfering by force or threats with (1) peaceful picketing by employees during any labor controversy affecting wages, hours, or conditions of labor; or (2) the exercise by employees of any of the rights of self organization, collective bargaining.

“(b) Any person who willfully violates or aids or abets any person in violating any provision of this Act, and any person who is knowingly transported in or travels in interstate or foreign commerce for any of the purposes enumerated in this Act, shall be deemed guilty of a felony, and shall, upon conviction thereof, be fined not more than \$5,000 or imprisoned not more than two years, or both.

“(c) The provisions of this Act shall not apply to common carriers.”

Approved, June 29, 1938.

Penalty for violation.

Provisions inapplicable to common carriers.

#### [CHAPTER 814]

##### AN ACT

To authorize the Secretary of the Interior to place certain records of Indian tribes of Nebraska with the Nebraska State Historical Society, at Lincoln, Nebraska, under rules and regulations to be prescribed by him.

June 29, 1938  
[S. 3283]

[Public, No. 780]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of the Interior is authorized, in his discretion and under such rules and regulations as he may prescribe, to place any records of Indian tribes which are within the confines of the State of Nebraska and which are not desired for tribal or official use with the Nebraska State Historical Society, at Lincoln, Nebraska. The historical society shall receive the custody of such records and matters of historical interest as custodian for the United States of America and the Secretary of the Interior, and upon the request of said Secretary any of such records so placed with the said Nebraska State Historical Society shall be immediately returned to the Government official designated by him to receive the same.

Nebraska State Historical Society.  
Deposit of certain records of Indian tribes.

Copies of any such records or papers in the possession and custody of the said Nebraska State Historical Society when certified to by the secretary or chief clerk thereof (or in case of a vacancy in such office or position, then by the person acting in such capacity), under its seal, shall be evidence equally with the original, and in making such certified copies such secretary or chief clerk or such person acting in such capacity shall be acting as a Federal agent, and such certified copies shall have the same force and effect as those made by the Secretary of the Interior under seal of his office to records in his immediate custody. Whenever certified copies of such Indian records are desired by the Government for use by it, they shall be furnished without cost.

Validity of certified copies of such records.

Approved, June 29, 1938.

Copies to be furnished Government without cost.

#### [CHAPTER 815]

##### AN ACT

Providing for the suspension of annual assessment work on mining claims held by location in the United States.

June 29, 1938  
[S. 3493]

[Public, No. 781]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the provision of section 2324 of the Revised Statutes of the United States, which requires on each mining claim located, and until a patent has been issued therefor, not less than \$100 worth of labor to be performed or improvements aggregating such amount to be made each year, be, and the same is hereby, suspended as to all mining claims in the United

Public lands.  
Suspension of annual assessment work on mining claims, fiscal year 1938.  
R. S. § 2324.  
39 U. S. C. § 28.

Alaska included.

*Provisos.*  
Claimant not exempt from Federal income tax, 1937, excluded.  
Notice to be filed.

Number of lode-mining claims, limitation.

Placer-mining claims.

States, including the Territory of Alaska, during the year beginning at 12 o'clock meridian July 1, 1937, and ending at 12 o'clock meridian July 1, 1938: *Provided*, That the provisions of this Act shall not apply in the case of any claimant not entitled to exemption from the payment of a Federal income tax for the taxable year 1937: *Provided further*, That every claimant of any such mining claim, in order to obtain the benefits of this Act, shall file, or cause to be filed, in the office where the location notice or certificate is recorded, on or before 12 o'clock meridian July 1, 1938, a notice of his desire to hold said mining claim under this Act, which notice shall state that the claimant, or claimants, were entitled to exemption from the payment of a Federal income tax for the taxable year 1937: *Provided further*, That such suspension of assessment work shall not apply to more than six lode-mining claims held by the same person, nor to more than twelve lode-mining claims held by the same partnership, association, or corporation: *And provided further*, That such suspension of assessment work shall not apply to more than six placer-mining claims not to exceed one hundred and twenty acres (in all) held by the same person, nor to more than twelve placer-mining claims not to exceed two hundred and forty acres (in all) held by the same partnership, association, or corporation.

Approved, June 29, 1938.

#### [CHAPTER 816]

#### AN ACT

June 29, 1938  
[S. 3516]  
[Public, No. 782]

To alter the ratio of appropriations to be apportioned to the States for public employment officers affiliated with the United States Employment Service.

United States Employment Service,  
48 Stat. 114; 49 Stat. 216.  
29 U. S. C. § 49d; Supp. III, § 49d.  
Textual changes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 5 (a) of the so-called "Wagner-Peyser Act" Act<sup>1</sup> of June 6, 1933, ch. 49; 48 Stat. 113, 114), as amended by the Act of May 10, 1935 (49 Stat. 216), be amended by striking out the words "Seventy-five per centum of the amounts appropriated under this Act shall" at the beginning of the second sentence thereof and inserting the following: "The annual appropriation under this Act shall designate the amount to"; and by striking out from the proviso at the end of such sentence the words "said 75 per centum of amounts appropriated after January 1, 1935, under this Act" and inserting the following: "the said amount among the several States", so that as amended section 5 (a) shall read as follows:

Appropriation authorized, fiscal year 1934; thereafter.

Apportionment among the States.

Purpose.

*Provisos.*  
Minimum apportionment.  
Appropriation of equal sums by States.

"SEC. 5. (a) For the purpose of carrying out the provisions of this Act there is hereby authorized to be appropriated (1) the sum of \$1,500,000 for the fiscal year ending June 30, 1934, (2) \$4,000,000 for each fiscal year thereafter up to and including the fiscal year ending June 30, 1938, (3) and thereafter such sums annually as the Congress may deem necessary. The annual appropriation under this Act shall designate the amount to be apportioned by the Director among the several States in the proportion which their population bears to the total population of the States of the United States according to the next preceding United States census, to be available for the purpose of establishing and maintaining systems of public employment offices in the several States and the political subdivisions thereof in accordance with the provisions of this Act: *Provided, however*, That in apportioning the said amount among the several States, the Director shall apportion not less than \$10,000 to each State. No payment shall be made in any year out of the amount of such appropriations apportioned to any State until an equal sum has been appropriated or otherwise made available for that year by the State, or by any agency thereof, includ-

<sup>1</sup> So in original.

ing appropriations made by local subdivisions, for the purpose of maintaining public employment offices as a part of a State-controlled system of public employment offices; except that the amounts so appropriated by the State shall not be less than 25 per centum of the apportionment according to population made by the director for such State for the current year, and in no event less than \$5,000. The balance of the amounts appropriated under this Act shall be available for all the purposes of this Act other than for apportionment among the several States as herein provided."

Approved, June 29, 1938.

Maintenance of public employment offices.

Minimum State appropriation.

Balances available for other expenses.

# [CHAPTER 817]

## AN ACT

To amend section 113 of the Judicial Code as amended.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 113 of the Judicial Code, as amended (U. S. C., title 28, sec. 194), be, and it is hereby, amended to read as follows:

"The State of West Virginia is divided into two districts, to be known as the northern and southern districts of West Virginia. The northern district shall include the territory embraced on the 1st day of July 1910 in the counties of Hancock, Brooke, Ohio, Marshall, Tyler, Pleasants, Wood, Wirt, Ritchie, Doddridge, Wetzel, Monongalia, Marion, Harrison, Lewis, Gilmer, Calhoun, Upshur, Barbour, Taylor, Preston, Tucker, Randolph, Pendleton, Hardy, Grant, Mineral, Hampshire, Morgan, Berkeley, and Jefferson, with the waters thereof.

"The district judge for the northern district of West Virginia shall hold regular terms of court in said northern district at the following places and times, that is to say:

"(a) At the city of Martinsburg on the first Tuesday in April and the fourth Tuesday in September in each year;

"(b) At the city of Wheeling on the third Tuesdays in April and October in each year;

"(c) At the city of Elkins on the first Tuesday in June and the third Tuesday in November in each year;

"(d) Said judge shall also hold such special terms as may be necessary for the orderly dispatch of the business of said court; the same to be held at said places and at such times as he shall appoint.

"The southern district shall include the territory embraced on the 1st day of July 1910 in the counties of Jackson, Roane, Clay, Braxton, Webster, Nicholas, Pocahontas, Greenbrier, Fayette, Boone, Kanawha, Putnam, Mason, Cabell, Wayne, Lincoln, Logan, Mingo, Raleigh, Wyoming, McDowell, Mercer, Summers, and Monroe with the waters thereof.

"The district judge for the southern district of West Virginia shall hold regular terms of court in said southern district at the following times and places, that is to say:

"(a) At the city of Bluefield on the third Tuesdays in January and June in each year;

"(b) At the city of Lewisburg on the first Tuesdays in March and September in each year; when suitable rooms and accommodations for holding terms of the court shall be provided at Lewisburg free of cost to the United States or until, subject to the recommendation of the Attorney General of the United States with respect to providing such rooms and accommodations for holding court at Lewis-

June 29, 1938  
[S. 3684]

[Public, No. 783]

United States courts.  
28 U. S. C. § 194; Supp. III, § 194.

West Virginia judicial districts.

Northern district.

Regular terms.

Special terms.

Southern district.

Regular terms.

Rooms, etc., at Lewisburg.

burg, a public building shall have been erected or other Federal space provided for court purposes in said city;

"(c) At the city of Charleston on the second Tuesday in April and on the third Tuesday in November in each year;

Rooms, etc., at  
Beckley.

"(d) At the city of Beckley at least once in each calendar year, at such times as may be fixed by rules of the court, when suitable rooms and accommodations for holding terms of the court shall be provided at Beckley free of cost to the United States or until, subject to the recommendation of the Attorney General of the United States with respect to providing such rooms and accommodations for holding court at Beckley, a Federal building containing such suitable rooms and accommodations for holding court shall be erected at such place;

Special terms.

"(e) Said judge shall also hold such special terms as may be necessary for the orderly dispatch of the business of said court, the same to be held at said places and at such times as he shall appoint.

Judge for northern  
and southern districts,  
regular terms of court.

"The district judge for the northern and southern districts of West Virginia shall hold regular terms of court in said northern and southern districts at the following places and times, that is to say:

"(a) At the city of Clarksburg in said northern district on the first Tuesday in January and on the fourth Tuesday in August in each year;

"(b) At the city of Parkersburg in said northern district on the third Tuesday in March and on the first Tuesday in October in each year;

"(c) At the city of Huntington in said southern district on the second Tuesday in May and on the third Tuesday in October in each year;

Rooms, etc., at  
Fairmont.

"(d) At the city of Fairmont at least once in each calendar year, at such times as may be fixed by rules of the court, when suitable rooms and accommodations for holding terms of the court shall be provided at Fairmont free of cost to the United States or until, subject to the recommendation of the Attorney General of the United States with respect to providing such rooms and accommodations for holding court at Fairmont, a Federal building containing such suitable rooms and accommodations for holding court shall be erected at such place;

Special terms.

"(e) Said judge shall also hold such special terms as may be necessary for the orderly dispatch of the business of said courts; the same to be held at said places and at such times as he shall appoint."

Approved, June 29, 1938.

#### [CHAPTER 818]

#### JOINT RESOLUTION

Providing compensation for certain employees.

June 29, 1938  
[H. J. Res. 551]  
[Pub. Res., No. 127]

Government em-  
ployees.  
Per diem, etc.,  
workers, compensa-  
tion for holidays.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That hereafter whenever regular employees of the Federal Government whose compensation is fixed at a rate per day, per hour, or on a piece-work basis are relieved or prevented from working solely because of the occurrence of a holiday such as New Year's Day, Washington's Birthday, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Christmas Day, or any other day declared a holiday by Federal statute or Executive order, or any day on which the departments and establishments of the Government are closed by Executive order, they shall receive the same pay for such days as for other days on which an ordinary day's work is performed.

SEC. 2. The joint resolution of January 6, 1885 (U. S. C., title 5, sec. 86), and all other laws inconsistent or in conflict with the provisions of this Act are hereby repealed to the extent of such inconsistency or conflict.

Approved, June 29, 1938.

Repeal of inconsistent laws.  
23 Stat. 516.  
5 U. S. C. § 86.

[CHAPTER 819]

JOINT RESOLUTION

To amend the Naturalization Act of June 29, 1906 (34 Stat. 596), as amended.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the second paragraph of the fourth subdivision of section 4 of the Naturalization Act of June 29, 1906 (U. S. C., title 8, sec. 382), as amended by section 1 of the Act of June 25, 1936 (49 Stat. 1925), is amended to read as follows:

“Absence from the United States for a continuous period of more than six months and less than one year during the period for which continuous residence is required for admission to citizenship, immediately preceding the date of filing the petition for naturalization, or during the period between the date of filing the petition, and the date of final hearing, shall be presumed to break the continuity of such residence, but such presumption may be overcome by the presentation to the naturalization court of satisfactory evidence that such individual had a reasonable cause for not returning to the United States during such absence. Absence from the United States for a continuous period of one year or more during the period for which continuous residence is required for admission to citizenship immediately preceding the date of filing the petition for naturalization or during the period between the date of filing the petition and the date of final hearing, shall break the continuity of such residence, except, that in the case of an alien—

(a) who has been lawfully admitted into the United States for permanent residence,

(b) who has resided in the United States for at least one year thereafter, and

(c) who has made a declaration of intention to become a citizen of the United States, who shall be deemed an eligible alien for the purposes of this paragraph and who thereafter has been sent abroad as an employee of or under contract with the Government of the United States, or who thereafter proceeded abroad as an employee or representative of, or under contract with an American institution of research recognized as such by the Secretary of Labor, or as an employee of a firm or corporation engaged in the development of foreign trade and commerce of the United States, or a subsidiary thereof, or any such eligible alien as above defined who has proceeded abroad temporarily and has within a period of one year of his departure from the United States become an employee or representative of, or who is under contract with such an American institution of research, or has become an employee of such an American firm or corporation, no such absence shall break the continuity of residence in the United States if—

“(1) Prior to the beginning of such absence, or prior to the beginning of such employment, contract, or representation on behalf of an American institution of research or an American firm or corporation as aforesaid, such alien has established to the satisfaction of the Secretary of Labor that his absence for such period is to be on behalf of such government or for the purpose of carrying on

June 29, 1938  
[H. J. Res. 681]  
[Pub. Res., No. 128]

Naturalization Act of 1906, amendments.  
34 Stat. 598; 49 Stat. 1925.  
8 U. S. C. § 382; Supp. III, § 382.

Residence requirements.  
Continuity; absences.

Continuity broken by absence of one year or more; exceptions.

Government, etc., employees, sent abroad.

Employees of foreign trade corporations, etc.

Employee of an American institution of research.

Conditions imposed.

Satisfactory proof to Secretary of Labor.

scientific research on behalf of such institution, or to be engaged solely or principally in the development of such foreign trade and commerce, or whose residence abroad is necessary to the protection of the property rights abroad of such firm or corporation; and

Proof to court. “(2) Such alien proves to the satisfaction of the court that his absence from the United States for such period has been for such purpose.

Inclusion of spouse. “An alien who has been lawfully admitted into the United States for permanent residence, and who is the wife or husband of a citizen of the United States so engaged abroad within one of the above-mentioned categories, shall be considered as residing in the United States for the purpose of naturalization notwithstanding any absence from the United States.

Provisions inapplicable to designated cases. “This amendment shall not affect cases of aliens who prior to the date of its enactment have established to the satisfaction of the Secretary of Labor, pursuant to an Act entitled ‘An Act to amend the naturalization laws in respect of residence requirements, and for other purposes’, approved June 25, 1936, that absence from the United States was to be or had been for the purpose of carrying on activities described therein.”

49 Stat. 1925.  
8 U. S. C., Supp. III, § 382a.

Approved, June 29, 1938.

## [CHAPTER 820]

## JOINT RESOLUTION

June 29, 1938  
[H. J. Res. 707]  
[Pub. Res., No. 129]

Requesting the President of the United States to proclaim the week of May 31, 1939, National Flood Prevention Week.

National Flood Prevention Week.

President requested to proclaim week of May 31, 1939.

Whereas the present Administration has been first to recognize that disastrous floods are calamities requiring national action and cooperation to prevent their recurrence in the future: Therefore be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Honorable Franklin D. Roosevelt, President of the United States, be, and he is hereby requested to proclaim the week of May 31, 1939, National Flood Prevention Week in the United States of America, and to ask the cooperation, interest, and aid of all the people in the work of flood prevention.

Approved, June 29, 1938.

## [CHAPTER 821]

## JOINT RESOLUTION

June 29, 1938  
[H. J. Res. 723]  
[Pub. Res., No. 130]

To amend H. R. 10672, Seventy-fifth Congress, third session, entitled “An Act to amend section 4197 of the Revised Statutes, as amended (U. S. C., 1934 edition, title 46, sec. 91), and section 4200 of the Revised Statutes (U. S. C., 1934 edition, title 46, sec. 92), and for other purposes”, so as to correct a typographical error.

Shipping.  
*Ante*, p. 759.

R. S. §§ 4197, 4200.  
46 U. S. C. §§ 91, 92;  
Supp. III, § 91.  
Correction of typographical error.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 2 of H. R. 10672, Seventy-fifth Congress, third session, entitled “An Act to amend section 4197 of the Revised Statutes, as amended (U. S. C., 1934 edition, title 46, sec. 91), and section 4200 of the Revised Statutes (U. S. C., 1934 edition, title 46, sec. 92), and for other purposes”, be amended by striking out the first period in the proviso in said section, and by changing the capital “U” in the word “upon” to a small “u”, so that the said proviso will read as follows: “*Provided*,

That in order that the commerce of the United States may move with expedition and without undue delay, the Secretary of Commerce is hereby authorized to make regulations permitting the clearance of a vessel having on board cargo destined to a foreign port or to a port in noncontiguous territory belonging to the United States, before delivery to the collector of customs of shippers' manifests or export declarations of the cargo laden on board, upon receipt by the collector of a bond with security approved by him in the penal sum of \$1,000, conditioned that the complete shippers' manifests or export declarations of all cargo laden aboard such vessel shall be filed with him not later than the fourth business day after the clearance of the vessel. In the event that all of the shippers' manifests or export declarations are not filed as required by the provisions of this section and the regulations made by the Secretary of Commerce in pursuance hereof, then a penalty of \$50 for each day's delinquency beyond the allowed period of four days for filing all of the shippers' manifests or export declarations shall be exacted, and if all of the shippers' manifests or export declarations are not filed within the three days following the four-day period, then for each succeeding day of delinquency, a penalty of \$100 shall be exacted. Suit may be instituted in the name of the United States against the principal and surety on the bond for the recovery of any penalties that may accrue and be exacted in accordance with the terms of the bond."

Approved, June 29, 1938.

Shippers' manifests, etc.  
Clearance without filing; bond.

Penalty for delinquency.

Suit for recovery of penalties.

[CHAPTER 822]

AN ACT

To validate certain certificates of naturalization granted by the United States District Court for the District of Hawaii.

June 29, 1938  
[H. R. 7369]  
[Public, No. 784]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That all certificates of naturalization granted by the United States District Court for the District of Hawaii between January 1, 1919, and July 1, 1922, are hereby declared to be valid insofar as failure of the record to contain final order under the hand of the court is concerned, but shall not be by this Act further validated or legalized.

Approved, June 29, 1938.

Hawaii.  
Validation of certain certificates of naturalization granted by district court.

[CHAPTER 842]

JOINT RESOLUTION

For the relief of certain aliens.

June 29, 1938  
[H. J. Res. 714]  
[Pub. Res., No. 131]

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Secretary of Labor is authorized to stay the deportation of any alien whose relief from deportation is provided for by any bill which has been favorably acted on by either the Senate Committee on Immigration or the House Committee on Immigration and Naturalization in the Seventy-fifth Congress; but such stay shall be terminated not later than the date of adjournment of the first regular session of the Seventy-sixth Congress.

Approved, June 29, 1938.

Aliens.  
Stay of deportation in certain cases.

Limitation.



## [CHAPTER 850]

## AN ACT

To regulate commerce in firearms.

June 30, 1938  
[S. 3]  
[Public, No. 785]

Federal Firearms  
Act.  
Definitions.  
"Person."

"Interstate or for-  
eign commerce."

"Firearm."

"Manufacturer."

"Dealer."

"Licensed dealer."

"Crime of violence."

"Fugitive from jus-  
tice."

"Ammunition."

Unlawful acts.  
Transportation,  
etc., of firearms or  
ammunition without  
license.

Knowingly receiv-  
ing same.

Transportation, etc.,  
to other than licensed  
manufacturer or dealer.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That as used in this Act—*

(1) The term "person" includes an individual, partnership, association, or corporation.

(2) The term "interstate or foreign commerce" means commerce between any State, Territory, or possession (including the Philippine Islands but not including the Canal Zone), or the District of Columbia, and any place outside thereof; or between points within the same State, Territory, or possession (including the Philippine Islands but not including the Canal Zone), or the District of Columbia, but through any place outside thereof; or within any Territory or possession or the District of Columbia.

(3) The term "firearm" means any weapon, by whatever name known, which is designed to expel a projectile or projectiles by the action of an explosive and a firearm muffler or firearm silencer, or any part or parts of such weapon.

(4) The term "manufacturer" means any person engaged in the manufacture or importation of firearms, or ammunition or cartridge cases, primers, bullets, or propellant powder for purposes of sale or distribution; and the term "licensed manufacturer" means any such person licensed under the provisions of this Act.

(5) The term "dealer" means any person engaged in the business of selling firearms or ammunition or cartridge cases, primers, bullets or propellant powder, at wholesale or retail, or any person engaged in the business of repairing such firearms or of manufacturing or fitting special barrels, stocks, trigger mechanisms, or breach<sup>1</sup> mechanisms to firearms, and the term "licensed dealer" means any such person licensed under the provisions of this Act.

(6) The term "crime of violence" means murder, manslaughter, rape, mayhem, kidnaping, burglary, housebreaking; assault with intent to kill, commit rape, or rob; assault with a dangerous weapon, or assault with intent to commit any offense punishable by imprisonment for more than one year.

(7) The term "fugitive from justice" means any person who has fled from any State, Territory, the District of Columbia, or possession of the United States to avoid prosecution for a crime of violence or to avoid giving testimony in any criminal proceeding.

(8) The term "ammunition" shall include all pistol or revolver ammunition except .22-caliber rim-fire ammunition.

SEC. 2. (a) It shall be unlawful for any manufacturer or dealer, except a manufacturer or dealer having a license issued under the provisions of this Act, to transport, ship, or receive any firearm or ammunition in interstate or foreign commerce.

(b) It shall be unlawful for any person to receive any firearm or ammunition transported or shipped in interstate or foreign commerce in violation of subdivision (a) of this section, knowing or having reasonable cause to believe such firearms or ammunition to have been transported or shipped in violation of subdivision (a) of this section.

(c) It shall be unlawful for any licensed manufacturer or dealer to transport or ship any firearm in interstate or foreign commerce to any person other than a licensed manufacturer or dealer in any State the laws of which require that a license be obtained for the purchase of such firearm, unless such license is exhibited to such manufacturer or dealer by the prospective purchaser.

<sup>1</sup> So in original.

(d) It shall be unlawful for any person to ship, transport, or cause to be shipped or transported in interstate or foreign commerce any firearm or ammunition to any person knowing or having reasonable cause to believe that such person is under indictment or has been convicted in any court of the United States, the several States, Territories, possessions (including the Philippine Islands), or the District of Columbia of a crime of violence or is a fugitive<sup>1</sup> from justice.

Shipment to person under indictment, etc.

(e) It shall be unlawful for any person who is under indictment or who has been convicted of a crime of violence or who is a fugitive<sup>1</sup> from justice to ship, transport, or cause to be shipped or transported in interstate or foreign commerce any firearm or ammunition.

Shipment by person under indictment, etc.

(f) It shall be unlawful for any person who has been convicted of a crime of violence or is a fugitive<sup>1</sup> from justice to receive any firearm or ammunition which has been shipped or transported in interstate or foreign commerce, and the possession of a firearm or ammunition by any such person shall be presumptive evidence that such firearm or ammunition was shipped or transported or received, as the case may be, by such person in violation of this Act.

Receipt by person convicted of crime of violence, etc.

(g) It shall be unlawful for any person to transport or ship or cause to be transported or shipped in interstate or foreign commerce any stolen firearm or ammunition, knowing, or having reasonable cause to believe, same to have been stolen.

Transportation of stolen firearms, etc.

(h) It shall be unlawful for any person to receive, conceal, store, barter, sell, or dispose of any firearm or ammunition or to pledge or accept as security for a loan any firearm or ammunition moving in or which is a part of interstate or foreign commerce, and which while so moving or constituting such part has been stolen, knowing, or having reasonable cause to believe the same to have been stolen.

Traffic in stolen firearms.

(i) It shall be unlawful for any person to transport, ship, or knowingly receive in interstate or foreign commerce any firearm from which the manufacturer's serial number has been removed, obliterated, or altered, and the possession of any such firearm shall be presumptive evidence that such firearm was transported, shipped, or received, as the case may be, by the possessor in violation of this Act.

Transportation of firearms from which serial number has been removed.

SEC. 3. (a) Any manufacturer or dealer desiring a license to transport, ship, or receive firearms or ammunition in interstate or foreign commerce shall make application to the Secretary of the Treasury, who shall prescribe by rules and regulations the information to be contained in such application. The applicant shall, if a manufacturer, pay a fee of \$25 per annum and, if a dealer, shall pay a fee of \$1 per annum.

Licenses, application, fee.

(b) Upon payment of the prescribed fee, the Secretary of the Treasury shall issue to such applicant a license which shall entitle the licensee to transport, ship, and receive firearms and ammunition in interstate and foreign commerce unless and until the license is suspended or revoked in accordance with the provisions of this Act: *Provided*, That no license shall be issued to any applicant within two years after the revocation of a previous license.

Issuance.

(c) Whenever any licensee is convicted of a violation of any of the provisions of this Act, it shall be the duty of the clerk of the court to notify the Secretary of the Treasury within forty-eight hours after such conviction and said Secretary shall revoke such license: *Provided*, That in the case of appeal from such conviction the licensee may furnish a bond in the amount of \$1,000, and upon receipt of such bond acceptable to the Secretary of the Treasury he may permit the licensee to continue business during the period of the appeal, or should the licensee refuse or neglect to furnish such bond, the Secre-

*Proviso.*  
Issuance after revocation.

Revocation on conviction of licensee.

*Proviso.*  
Temporary continuance; bond.

<sup>1</sup> So in original.

tary of the Treasury shall suspend such license until he is notified by the clerk of the court of last appeal as to the final disposition of the case.

Dealers' records.

(d) Licensed dealers shall maintain such permanent records of importation, shipment, and other disposal of firearms and ammunition as the Secretary of the Treasury shall prescribe.

Exemptions.

Federal, State gov-  
ernments, agencies,  
etc.

SEC. 4. The provisions of this Act shall not apply with respect to the transportation, shipment, receipt, or importation of any firearm, or ammunition, sold or shipped to, or issued for the use of, (1) the United States or any department, independent establishment, or agency thereof; (2) any State, Territory, or possession, or the District of Columbia, or any department, independent establishment, agency, or any political subdivision thereof; (3) any duly commissioned officer or agent of the United States, a State, Territory, or possession, or the District of Columbia, or any political subdivision thereof; (4) or to any bank, public carrier, express, or armored-truck company organized and operating in good faith for the transportation of money and valuables; (5) or to any research laboratory designated by the Secretary of the Treasury: *Provided*, That such bank, public carriers, express, and armored-truck companies are granted exemption by the Secretary of the Treasury; nor to the transportation, shipment, or receipt of any antique or unserviceable firearms, or ammunition, possessed and held as curios or museum pieces: *Provided*, That nothing herein contained shall be construed to prevent shipments of firearms and ammunition to institutions, organizations, or persons to whom such firearms and ammunition may be lawfully delivered by the Secretary of War, nor to prevent the transportation of such firearms and ammunition so delivered by their lawful possessors while they are engaged in military training or in competitions.

Banks, carriers, etc.

Research laborato-  
ries.

*Proviso.*  
Exemptions grant-  
ed by Secretary of  
Treasury.  
Antiques, curios,  
etc.

Shipments to des-  
ignated institutions  
or persons.

Military training,  
etc.

Penalty provisions.

SEC. 5. Any person violating any of the provisions of this Act or any rules and regulations promulgated hereunder, or who makes any statement in applying for the license or exemption provided for in this Act, knowing such statement to be false, shall, upon conviction thereof, be fined not more than \$2,000, or imprisoned for not more than five years, or both.

Effective date.

SEC. 6. This Act shall take effect thirty days after its enactment.

Rules and regula-  
tions.

SEC. 7. The Secretary of the Treasury may prescribe such rules and regulations as he deems necessary to carry out the provisions of this Act.

Separability of pro-  
visions.

SEC. 8. Should any section or subsection of this Act be declared unconstitutional, the remaining portion of the Act shall remain in full force and effect.

Short title.

SEC. 9. This Act may be cited as the Federal Firearms Act.

Approved, June 30, 1938.

#### [CHAPTER 851]

#### AN ACT

June 30, 1938  
[S. 1131]

[Public, No. 786]

To amend the part of the Act entitled "An Act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes", approved June 4, 1920, relating to the conservation, care, custody, protection, and operation of the naval petroleum and oil-shale reserves.

Naval petroleum re-  
serves.  
41 Stat. 813.  
34 U. S. C. § 524.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That the part of the Act entitled "An Act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes", approved June 4, 1920 (41 Stat. 813), relating to the conservation, care, custody, protection, and operation of the naval petroleum and

oil-shale reserves, contained in the paragraph entitled "Investigation of Fuel Oil and Other Fuel", and embodied in the United States Code, title 34, section 524, be amended so as to read as follows:

"The Secretary of the Navy is directed to take possession of all properties within the naval petroleum reserves as are or may become subject to the control and use by the United States for naval purposes; to conserve, develop, use, and operate the same in his discretion, subject to approval by the President, directly or by contract, lease, or otherwise, such use and operation to be for the protection of the aforesaid reserves or for carrying out the provisions of this Act; and to use, store, exchange, or sell the oil and gas products thereof, and those from all royalty oil and gas from lands in the naval reserves, for the benefit of the United States, subject to the applicable limitations and restrictions of this Act; and to exercise exclusive jurisdiction and control over those lands within the borders of naval petroleum reserves numbered 1 and 2 which are embraced by leases granted pursuant to the provisions of the Act of Congress approved February 25, 1920, entitled 'An Act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain' (41 Stat. 437).

"In order to consolidate and protect the oil lands owned by the Government the Secretary of the Navy is authorized to contract with owners and lessees of land within or adjoining such reserves for conservation in the ground of oil and gas and for compensation for estimated drainage in lieu of drilling or operating offset wells, and to exchange Government land in naval petroleum reserve numbered 1, the right to royalty production from any of the naval petroleum reserves, and the right to any moneys due to the Government as a result of the wrongful extraction of petroleum products from lands within naval petroleum reserve numbered 1, for privately owned land or leases within naval petroleum reserve numbered 1: *Provided*, That no lease of any portion of the naval petroleum reserves, no contract to alienate the use, control, or possession thereof from the United States, no contract to sell the oil and gas products thereof, other than royalty oil and gas products, no contract for conservation or for compensation for estimated drainage, and no exchange of any land, any right to royalty production or any right to any moneys as hereinabove authorized shall become effective until approved by the President: *Provided further*, That the Secretary of the Navy shall report annually to the Congress all agreements entered into under the authority herein granted.

"In the event of the inability of the Secretary of the Navy to make satisfactory exchanges of land or agreements for the conservation of naval petroleum with the private owners of lands or leases within or adjoining naval petroleum reserve numbered 1, as provided for in this Act, he is hereby authorized, with the approval of the President, to acquire such privately owned lands or leases in naval petroleum reserve numbered 1 by purchase or condemnation. There is hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act. Such sums shall be expended under the direction of the President, who shall submit to the Congress estimates therefor in the manner prescribed by law: *Provided*, That the Secretary of the Navy shall report annually to the Congress all purchase and condemnation proceedings entered into under the authority herein granted.

"Leases of lands of the United States within the naval petroleum reserves, in existence prior to July 1, 1936, excepting those leases which have become a part of an approved unit or cooperative plan and agreement, shall terminate at the expiration of their initial

Possession of properties within, by Secretary of the Navy; conservation, operation, etc.

Disposal of products.

Jurisdiction.

41 Stat. 437.  
30 U. S. C. § 181;  
Supp. III, ch. 3.

Contracts for conservation purposes.

Exchange of lands in reserve numbered 1 for privately owned lands or leases therein.

*Provided*.  
Approval by the President.

Annual report to Congress.

Acquisition by purchase or condemnation.

Appropriation authorized.

*Provided*.  
Annual report to Congress.

Termination of leases existing prior to July 1, 1936, at expiration of initial periods; exception.

Re-leasing; terms  
and conditions.

*Proviso.*  
Authority to modify  
rate of prospecting,  
quantity and rate of  
production.

Certain foreign in-  
terests restricted.

41 Stat. 437.  
30 U. S. C. § 181;  
Supp. III, ch. 3.

Rules and regula-  
tions.

Sworn statements,  
etc.

Accrued revenues,  
disposition.

41 Stat. 437.  
30 U. S. C. § 181;  
Supp. III, ch. 3.

Payment of royal-  
ties.

Cancellation provi-  
sions.

*Proviso.*  
Naval oil-shale re-  
serves.

Construction of Act.

twenty-year periods, and the lands covered by such terminated leases may be re-leased upon such reasonable terms and conditions as the Secretary of the Navy may prescribe, with the preferential right in the former lessees to leases of the same if and when the lands are re-leased: *Provided*, That every unit or cooperative plan of development and operation entered into after July 1, 1937, and every lease entered into subsequently to July 1, 1937, with respect to lands owned by the United States within the naval petroleum reserves, shall contain a provision whereby authority limited as provided in such plan or lease is vested in the Secretary of the Navy, subject to approval by the President, to alter or modify from time to time in his discretion the rate of prospecting and development on, and the quantity and rate of production from, such lands of the United States under said plan or lease, any law to the contrary notwithstanding.

"Citizens of another country, or corporations controlled by citizens of another country, the laws, customs, or regulations of which deny the privilege of leasing their public lands to citizens or corporations of this country, shall not by contract made subsequently to July 1, 1937, or by stock ownership, holding, or control, acquire or own any interest in or right to any benefit from any lease of land in the naval petroleum or other naval fuel reserves at any time made under the provisions of the Mineral Leasing Act of February 25, 1920, or of this Act, and in the event of any violation of any of these provisions, the Secretary of the Navy shall have the right to cancel such lease forthwith.

"The Secretary of the Navy, subject to approval by the President, is hereby authorized to prescribe necessary rules and regulations and to do any and all things necessary or proper to accomplish the purposes of this Act. All statements, reports, and representations required thereby shall be under oath, unless otherwise specified, and in such form as the Secretary of the Navy may require.

"Except as otherwise provided in this Act, all moneys which may accrue to the United States under the provisions of this Act, or of the said Act of February 25, 1920 (41 Stat. 437), from lands within the naval petroleum reserves or other naval fuel reserves on account of the petroleum products extracted therefrom shall be deposited in the Treasury of the United States as miscellaneous receipts; and any or all oil, gas, gasoline, or other hydrocarbon substances accruing to the United States as royalties from leases of lands within the naval petroleum reserves or other naval fuel reserves under authority of this Act shall be paid for in money or be paid in kind as the Secretary of the Navy may elect.

"Any lease issued under the provisions of this Act may be forfeited and canceled by an appropriate proceeding in the United States district court for the district in which the property, or some part thereof, is located, whenever the lessee fails to comply with any of the provisions of this Act, of the lease, or of the regulations promulgated under this Act and in force at the date of the lease; and the lease may provide for resort to appropriate methods for the settlement of disputes and for remedies for breach of specified conditions thereof: *Provided*, That nothing herein contained shall be construed to permit the development, or operation of the naval oil-shale reserves."

SEC. 2. Nothing herein contained shall be construed as validating, acquiescing in, or giving color to any claim of any person, natural, governmental, or corporate, other than the United States, to any right, title, or interest in any lands or interests therein claimed, or which may be claimed, by the United States, or as preventing or

interfering with the accrual of any right to damages or cause of action in favor of the United States against any person whomsoever.

SEC. 3. All Acts or parts thereof in conflict with the provisions of this Act are hereby repealed.

Inconsistent Acts,  
etc., repealed.

Approved, June 30, 1938.

[CHAPTER 852]

AN ACT

To authorize the appropriation of funds for the development of rotary-wing and other aircraft.

June 30, 1938  
[H. R. 10605]  
[Public, No. 787]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in the interest of adequate national defense and the further interest of the needs of other governmental activities and of American commercial and civil aeronautics for rotary-wing and other aircraft development there is hereby authorized to be appropriated, out of any funds in the Treasury not otherwise appropriated, the sum of \$2,000,000 to remain available until expended for the purpose of rotary-wing and other aircraft research, development, procurement, experimentation, and operation for service testing.

Rotary - wing and  
other aircraft.  
Appropriation au-  
thorized for develop-  
ment of.

The Secretary of War is authorized and directed to proceed immediately with said research, development, procurement, experimentation, and operation for service testing and further to allot such sums from this fund to other Federal departments or agencies as he, in his judgment and discretion and within the limits herein prescribed, may deem advisable for the furtherance of these purposes.

Research, experi-  
mentation, etc.

The following agencies of the Federal Government are hereby authorized and directed to submit to the Secretary of War plans for research, development, procurement, experimentation, and operation for service testing of rotary-wing and other aircraft. Upon presentation of plans, together with estimates of requirements, the Secretary of War will approve, apportion, and allot the necessary funds which in his discretion may appear proper for each respectively.

Plans for research,  
development, etc.;  
submission by certain  
agencies.

The agencies referred to are:

Agencies designated.

(a) In the United States Army, the Office of the Chief of Cavalry, the Office of the Chief of Field Artillery, the Office of the Chief of Coast Artillery, the Office of the Chief of Infantry, the Office of the Chief Signal Officer, the Office of the Chief of Air Corps, the Office of the Chief of Medical Corps, the Office of the Quartermaster General, and the National Guard Bureau.

(b) In the Department of Agriculture, the Bureau of Entomology and Plant Quarantine, the Bureau of Biological Survey, and the Forest Service.

(c) In the Department of the Interior, the National Park Service.

(d) In the Treasury Department, the Coast Guard.

(e) In the Department of Commerce, the Bureau of Air Commerce.

(f) In the Department of the Navy, the Office of the Chief of Naval Operations, the Bureau of Aeronautics, and the Office of the Chief of Marine Corps.

(g) The National Advisory Committee for Aeronautics.

(h) In the Post Office Department, the Postmaster General.

Such of these agencies as are approved by the Secretary of War for the purpose of carrying out the provisions of this Act and to whom the Secretary of War in accordance with the provisions of this Act shall allocate funds are hereby directed to report at the end of each fiscal year or at such times as the Secretary of War may direct, showing the progress of the work in hand, future pro-

Reports of agencies  
to Secretary of War  
as to progress, future  
programs, recommen-  
dations, etc.

Allocation for private construction.

grams, if any, and recommendations. Special emphasis in these reports shall be placed on the utility of rotary-wing and other aircraft at the present time and the promise this type of aircraft holds for the future in the opinion of the chief of each agency concerned.

The sum of \$600,000 is to be taken by the Secretary of War from this appropriation and used exclusively in the placing of contracts for the construction of improved and experimental types of rotary-wing and other aircraft by private industry.

Approved, June 30, 1938.

[CHAPTER 853]

AN ACT

June 30, 1938  
[H. R. 10632]  
[Public, No. 788]

Authorizing the Port Authority of Duluth, Minnesota, and the Harbor Commission of Superior, Wisconsin, to construct a highway bridge across the Saint Louis River from Rice's Point in Duluth, Minnesota, to Superior in Wisconsin.

Saint Louis River.  
Duluth, Minn., and  
Superior, Wis., may  
bridge.

34 Stat. 84.  
33 U. S. C. §§ 491-  
498.

Acquisition of prop-  
erty.

Federal aid.

39 Stat. 355.  
16 U. S. C. § 503; 23  
U. S. C. §§ 12a, 48.

Proviso.  
Contracts.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That in order to facilitate interstate commerce, improve the postal service, and provide for military and other purposes the Port Authority of Duluth, Minnesota, and the Harbor Commission of Superior, Wisconsin, their successors and assigns, are hereby authorized to construct, maintain, and operate a highway bridge and approaches thereto over and across the Saint Louis River from the lower end of Rice's Point in Duluth, Minnesota, to the vicinity of the lower end of Banks Avenue extended to the shore line in Superior, Wisconsin, in accordance with the provisions of the Act entitled "An Act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this Act.

SEC. 2. There is hereby conferred upon the Port Authority of Duluth, Minnesota, and the Harbor Commission of Superior, Wisconsin, all such rights and powers to enter upon lands and to acquire, condemn, occupy, possess, and use real estate and other property needed for the location, construction, operation, and maintenance of such bridge and its approaches as are possessed by railroad corporations for railroad purposes or by bridge corporations for bridge purposes in the State in which real estate or other property is situated, upon making a just compensation therefor, to be ascertained and paid according to the laws of such State, and the proceedings therefor shall be the same as in the condemnation or expropriation of property for public purposes in such State.

SEC. 3. Notwithstanding any restriction or limitation imposed by the Act entitled "An Act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes", approved July 11, 1916, or by the Federal Highway Act, or by any Act amendatory of or supplemental to either thereof, the Secretary of Agriculture may extend Federal aid under such Acts, for the construction of said bridge, out of any moneys allocated to the State of Minnesota with the consent of the department of highways of said State, and out of any moneys allocated to the State of Wisconsin, with the consent of the department of highways of said State: *Provided*, That notwithstanding any of the provisions of this Act, the port authorities shall have full power and authority to negotiate and enter into a contract or contracts with the State Highway Commission of the State of Wisconsin and the State Highway Commission of the State of Minnesota, or with either of them, or with any other public body, whereby the port authorities may receive financial aid in the construction of the bridge and approaches thereto, and the

port authorities may make and enter into any contract or contracts which they deem expedient and proper with both the said State highway commissions or either of them whereby both said State highway departments or either of them may construct, operate, and maintain, or participate with the port authorities in the construction, operation, and maintenance of said bridge and approaches.

SEC. 4. It is hereby declared to be the purpose of Congress to facilitate the construction of a bridge and proper approaches across the Saint Louis River between Duluth, Minnesota, and Superior, Wisconsin, and to authorize the port authorities to promote said object and purposes for the greater safety of navigation, in accordance with this Act.

SEC. 5. The port authorities or their successors and assigns are hereby authorized to provide for the payment of the cost of the bridge and its approaches by an issue or issues of negotiable bonds or negotiable certificates of indebtedness of the port authorities bearing interest at not more than 6 per centum per annum, the principal and interest of which bonds or certificates of indebtedness and any premium to be paid for retirement thereof before maturity shall be payable solely from the sinking fund provided in accordance with the Act. Such bonds or certificates of indebtedness may be registrable as to principal alone or both principal and interest, shall be in such form not inconsistent with this Act, shall mature at such time or times not exceeding thirty years from their respective dates, shall be in such denominations, shall be executed in such manner, and shall be payable in such medium and at such place or places as the port authorities may determine. The port authorities may repurchase and may reserve the right to redeem all or any of said bonds or certificates of indebtedness before maturity in such manner and at such price or prices not exceeding 105 and accrued interest, as may be fixed by them prior to the issuance of the bonds or certificates of indebtedness. Nothing contained in this Act shall be construed as limiting the powers now possessed or hereafter conferred under any applicable law of the State of Minnesota or the State of Wisconsin authorizing and empowering the Port Authority of Duluth or the Harbor Commission of Superior to issue and sell negotiable bonds or negotiable certificates of indebtedness; and the provisions of this Act shall be deemed supplemental and in addition to all powers now possessed or hereafter conferred upon either of the said Port Authority of the city of Duluth and the said Harbor Commission of the city of Superior.

SEC. 6. Subject to and in accordance with the provisions of the General Bridge Act approved March 23, 1906, the Harbor Commission of Superior and the Port Authority of Duluth may jointly or severally make written application to the Secretary of War for the approval of the location and plans of said bridge. Upon the filing of said application, due notice to all interested parties of the filing of such application, and notice of hearing thereon shall be given. If such application be approved, the instrument of approval shall be issued to the Duluth Port Authority and the Harbor Commission of Superior, jointly, unless the said port authority or the said harbor commission shall file with the Secretary of War, within thirty days of the receipt of such notice of approval, its refusal to accept such instrument of approval. Upon any such refusal being filed with the Secretary of War, the instrument of approval shall forthwith be issued to the port authority or harbor commission, as the case may be, which shall file with the Secretary of War its written acceptance of such approval.

Purpose declared.

Bonds, etc.

Interest rate.

Form, maturity, denominations.

Redemption.

Provisions supplemental to powers of local authorities.

Approval of location and plans.  
34 Stat. 84.  
33 U. S. C. §§ 491-498.



Tolls.

SEC. 7. The port authorities are hereby authorized to fix and charge tolls for transit over such bridge and the rates of toll so fixed shall be the legal rates until changed by the Secretary of War under the authority contained in the Act of March 23, 1906.

Application of tolls  
to maintenance, sink-  
ing fund, etc.

In fixing the rates of toll to be charged for the use of such bridge the same shall be so adjusted as to provide a fund sufficient to pay for the reasonable cost of maintenance, repairing, and operating the bridge and its approaches under efficient and economical management, and to provide a sinking fund sufficient to amortize the cost of such bridge and its approaches, including reasonable interest and financing cost, as soon as possible, under reasonable charges, but within a period of not to exceed thirty years from the completion thereof. After a sinking fund sufficient for such amortization and for the maintenance of said bridge and the approaches thereto shall have been so provided, such bridge shall thereafter be maintained and operated free of tolls. An accurate record of the cost of the bridge and its approaches, the expenditure for maintaining, repairing, and operating the same, and of the daily tolls collected shall be kept and shall be available for the information of all persons interested.

Maintenance as free  
bridge after amortiz-  
ing costs.

Record of expenses  
and receipts.

Amendment.

SEC. 8. The right to alter, amend, or repeal this Act is hereby expressly reserved.

Approved, June 30, 1938.